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CONTENTS

NOTICE TO READERS: All material in this volume previously disseminated in electronic form.
An Ω indicates a Foreign Media Note.

INTERNATIONAL AFFAIRS

Croats, Muslims Sign Federation Agreement *[Zagreb Radio]* 1
Further on Accord, Talks *[Zagreb TV]* 1
Silajdzic, Granic, Zubak Comment *[Sarajevo Radio]* 1
TANJUG Reports Agreement 2
Karadzic Criticizes U.S. Role *[AFP]* 2
280 Dutch UN Peacekeepers Leave for Bosnia *[AFP]* 3

ALBANIA

Croatia's Tudjman Continues Visit, Activities 4
Attends Opening of Embassy *[Zagreb Radio]* 4
News Conference, Departure Reported *[Tirana TV]* 4
Role of State Intelligence Service Questioned *[ZERI I POPULLIT 24 Feb]* 5

BULGARIA

Military Officials Discuss Budget Petition *[KONTINENT 28 Feb]* 6
Deputies Urge SDS To Mobilize for Elections *[PRESSLUZHBA KURIER 23 Feb]* 6
BSP Deputies Protest Charges *[PRESSLUZHBA KURIER 23 Feb]* 7
Forum Claims Macedonians of Bulgarian Origin *[PRESSLUZHBA KURIER 23 Feb]* 7
Commentary Views Yeltsin Speech, Implications *[KONTINENT 25 Feb]* 8
BSP Official Views FRY Visit, U.S. Policy *[DUMA 22 Feb]* 8

CZECH REPUBLIC

UNPROFOR Contingent 'Inadequately Armed' *[MLADA FRONTA DNES 28 Feb]* 10
Klaus Interviewed on Bosnia, Israel, Neighbors *[Prague Radio]* 10
Czech, Polish Parliament Leaders Hold Talks *[Prague Radio]* 11
Oleksy Meets With Media, Comments *[Prague TV]* 11
Article Outlines Trade With Russia *[HOSPODARSKE NOVINY 21 Feb]* 12
KDS, LSNS Conclude Cooperation Agreement *[DENNI TELEGRAF 26 Feb]* 14
Report Outlines Marketing Success of Aero Plant *[LIDOVE NOVINY 23 Feb]* 14
Klaus on Cooperation With German Industrialists *[DENNI TELEGRAF 25 Feb]* 14
Statistics Show 174 HIV-Positive Cases *[RUDE PRAVO 25 Feb]* 15

SLOVAKIA

Government To Recognize FYROM *[Bratislava TV]* 16
Meciar Refuses To Sign Privatization Bill *[Bratislava Radio]* 16

HUNGARY

Foreign Minister Welcomes Croat-Muslim Accord *[Budapest Radio]* 17
MSZP Congress Ends; Election List Adopted *[Budapest Radio]* 17
Chairman Interviewed on Candidates *[Budapest Radio]* 17

POLAND

Walesa Dismisses National Broadcasting Chief *[Warsaw Radio]* 18

To Bring Legal Action Over License *[Warsaw Radio]* 18
Defense Official Speaks on NATO, Russia *[POLSKA ZBROJNA 25-27 Feb]* 18
Official Views Constitutional Dispute *[POLSKA ZBROJNA 28 Feb]* 20
Labor Minister on Strikes, Kwasniewski, Walesa *[Warsaw Radio]* 21
Privatization Official Outlines Plans *[GLOS WYBRZEZA 21 Feb]* 25

ROMANIA

Foreign Ministry Welcomes Bosnia Accord *[Bucharest Radio]* 28
Observers Note Violations in Moldovan Ballot *[Bucharest Radio]* 28
Solcanu Salutes 'Free Elections' in Moldova *[Bucharest Radio]* 28

BOSNIA-HERZEGOVINA

UN Reports Serb Attacks Around Sarajevo *[AFP]* 29
'Chetnik' Provocations Reported *[Sarajevo Radio]* 29
Muslims Extending Fortifications *[Pale Radio]* 29
Air Incident Viewed; U.S. Plane Said Downed *[POLITIKA 1 Mar]* 29
Yugoslav Pilot Says Warplanes Represented RSK *[AFP]* 30
Mostar Radio Identifies Pilot *[Mostar Radio]* 30
Bosnian Serb Army Investigating Air Incident *[TANJUG]* 31
Commentary on NATO's 'Clear Message' to Moscow *[Sarajevo Radio]* 31
Ganic Sees Military Pressure as Turning Point *[Copenhagen BERLINGSKE TIDENDE 28 Feb]* 32
Objects to Proposal for Tuzla Airport *[Mainz TV]* 33
Heavy Arms From Sarajevo Moved to Zavidovici *[Sarajevo Radio]* 33
Serb Attacks on Bihac, Maglaj Continue *[Sarajevo Radio]* 34
Serb Troops Force Postponment of Aid Convoys *[AFP]* 34
ICRC Oversees Muslim-Croat Prisoner Exchange *[Sarajevo Radio]* 35
Dutch Troops To Relieve Canadians in Srebrenica *[AFP]* 35
Rose To Meet With Serbs, Muslims on Cease-Fire *[AFP]* 35
HDZ in Bosnia Demands Territory, Sovereignty *[Mostar Radio]* 35

CROATIA

Tudjman Welcomes Muslim-Croat Talks *[Zagreb Radio]* 37
Serbian Air Forces on Croatian Territory Viewed *[GLOBUS 25 Feb]* 37
RSK Assembly Concludes First Plenary Session *[Belgrade TV]* 38
Choice of New FRY Envoy in Zagreb Attacked *[SLOBODNA DALMACIJA 14 Feb]* 39

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

FRY Bans Overflights of Macedonian Airplanes *[Skopje Radio]* 40
Gligorov Views Blockade With German Official *[MIC 2 Mar]* 40
Greeks Allow Some Trucks To Cross Border *[MILS-NEWS 2 Mar]* 40
Workers Threaten Strike, 'Massive' Protests *[MILS-NEWS 2 Mar]* 40

YUGOSLAVIA

Federal

Jovanovic Discusses Croat-Muslim Agreement *[TANJUG]* 41
Muslim-Croat Confederation Seen as Unrealistic *[TANJUG]* 41
Sandzak Leader Cautions Muslims Against Alliance *[VECERNJE NOVOSTI 28 Feb]* 42
Lilic: No FRY Planes Fly Over Bosnia *[Belgrade Radio]* 42
NATO in Position To Identify Planes *[TANJUG]* 43
Foreign Ministry Condemns Hebron Incident *[TANJUG]* 43
Minister on 'Devastating' Effects of Sanctions *[TANJUG]* 43

Jovanovic Opposes Sanctions on Croatia *[Vienna DIE PRESSE 1 Mar]* 43
RSK, Srpska To Join FRY Payments System *[TANJUG]* 44

Serbia

Seselj: Serbs 'Not Interested' in Accord *[TANJUG]* 45

Kosovo

LDK Condemns Killing, Warns of 'State Terror' *[Tirana TV]* 45

Croats, Muslims Sign Federation Agreement

LD0203121094 Zagreb Radio Croatia Network in Serbo-Croatian 1000 GMT 2 Mar 94

[Report by Jozo Curic]

[Excerpt] A preliminary draft agreement has been signed on creating a Bosnia-Herzegovina federation, along with a preliminary agreement on a confederal union between Croatia and Bosnia-Herzegovina; transit; human rights; the organization and distribution of state powers within the Bosnia-Herzegovina federation; defense arrangements; the creation of a constituent assembly and high-level committees to draw up a constitution and take the necessary steps and measures for the realization of the Bosnia-Herzegovina federation; a monetary, customs, and economic union; and a defense alliance between Croatia and the Bosnia-Herzegovina federation.

In this context, both states would retain their membership in the United Nations while the Croats and Muslims would be two constituent peoples equally represented in a balanced way in state bodies. A two-chamber parliament would not be able to make decisions detrimental to any people. Cantons, which vest some functions in a federal government, are at the heart of the Bosnia-Herzegovina federation.

The [present] administration'and defense chain of command remains the same in Bosnia until a new constitution is introduced. A council of Croat cantons and Croat municipalities in Muslim cantons and vice versa, and the federal organs jointly created by the Croats and Muslims are the basis for a team of experts in Vienna to draw up a final agreement by 15 March that would be signed in the White House in Washington by Presidents Tudjman and Izetbegovic in President Clinton's presence.

Last night President Clinton spoke to Sarajevo and Zagreb over the phone. President Tudjman thanked him for the efforts that the United States had invested in the Croat-Muslim agreement. I am honored and I appreciate the fact that this has taken place, President Clinton said, adding: I appreciate your leadership and you in your capacity as a statesman.

The Croatian president said that he appreciated the U.S. Government's involvement and asked for guarantees regarding the UNPA [UN protected areas]. We continue to support Croatia's sovereignty and integrity, was the answer coming from the White House. [passage omitted]

Further on Accord, Talks

LD0103201594 Zagreb HTV Television in Serbo-Croatian 1830 GMT 1 Mar 94

[Excerpt] The documents which have just been drafted at the State Department contain, among other things, the following: The text of an outline agreement on a federation and the division of powers among the cantons and the central goverment [in Bosnia-Herzegovina]]; the text of a preliminary agreement on the principles and foundations of the confederation of the Republic of Croatia and the Bosnia-Herzegovina federation; and the document on a transit agreement between Croatia and the federation. While I am filing this report, the two delegations and their hosts are holding talks.

A document has also been drafted on the founding of high-level committees which, between 4 and 15 March, most probably in Vienna, will analyze, prepare, and formulate a draft constitution for Bosnia-Herzegovina, as well as a preliminary agreement between Croatia and the federation, an agreement on military arrangements within the federation, and on interim measures and government bodies. The committee will coordinate the implementation of the outline agreement on the federation.

A document on protection of human rights has also been drafted, containing reference to a series of conventions and declarations on protection of human rights, minorities etc.

Foreign Minister Granic was received in Washington this morning by U.S. Vice President Al Gore. The talks were also attended by Ambassadors Redman, Sarcevic, and Galbraith. The Muslim-Croat agreement and possible solutions for the crisis in the Balkans were discussed.

Both sides want, in principle, to reach an agreement. The solution is to be found at a diplomatic level in Bosnia-Herzegovina, Gore said. An outline has already been provided by NATO and the United Nations, whose decisions we have to implement, the U.S. vice president told reporters. He added that NATO and UN decisions have improved chances of success in the diplomatic field. It has been demonstrated that this yields success, Al Gore said.

We will try today to sign the preliminary agreement on a federation between the Croats and Muslims and on a confederation between the Bosnia-Herzegovina federation and Croatia, Granic told reporters at the White House. We are now in the final stage of the negotiations and let us wait and see what happens, Granic said.

Al Gore spoke about U.S. aid to Croatia in the following spheres: Help will be provided in the peaceful reintegration of UN protected areas; some commentators have been talking about credits to the tune of $500 million. The Partnership for Peace has also been mentioned. International financial institutions will approach Croatia once the agreement is signed, which is expected to be done on 15 March at top level, and then endorsed by the Croatian Assembly. [passage omitted]

Silajdzic, Granic, Zubak Comment

AU0203113694 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 2 Mar 94

[Statements by Bosnia-Herzegovina Prime Minister Haris Silajdzic, Croatian Foreign Minister Mate Granic,

and Kresimir Zubak, representative of the Bosnian Croats, in Washington on 2 March; Silajdzic, Granic, Zubak speak in English with superimposed Serbo-Croatian translation—recorded]

[Text] [Silajdzic] We hope and pray that this is the first step toward peace.

[Granic] Today we have taken a great step forward. The U.S. Administration has contributed immensely to achieving a final agreement.

[Zubak] I am convinced that today we have taken the first step toward establishing peace and protecting human lives in Bosnia-Herzegovina.

TANJUG Reports Agreement

LD0203124694 Belgrade TANJUG in English 1031 GMT 2 Mar 94

[Text] Washington, March 2 (TANJUG)—Bosnian Moslems and Croats and Croatia signed an accord late on Tuesday [1 March] on forming a federation of the two Bosnian nations and its confederation with neighbouring Croatia. After four days of intensive talks in Washington, held under strong U.S. diplomatic pressure, especially on Croatia, the accord was signed by Foreign Minister Mate Granic for Croatia, Premier Haris Silajdzic for Bosnian Moslems and Bosnian Croat leader Kresimir Zubak for the Croats, in the presence of U.S. Secretary of State Warren Christopher.

Some questions, notably those in the military sphere, have been left open and are shortly to be put on the agenda.

The former Yugoslav republic of Bosnia-Herzegovina is being torn apart by a civil and ethnic war which broke out nearby two years ago among the local Moslems, Serbs and Croats.

The accord guarantees repatriation and restoration of property to all refugees and displaced persons.

The agreement between the Moslems and Croats envisages for a federation of cantons, to be formed on the principle of ethnic majority in individual regions. The document, the contents of which have not been disclosed, provides for equal rights of the Moslem and Croat cantons which should have their own police force and pursue an independent policy in education, culture, housing, (?public) works and radio and television.

The accord envisages for a central government which should regulate the foreign, defence and foreign trade policies. The president and vice-president of the federation should be elected by a bicameral parliament, with the posts rotated between the nationalities annually.

Apart from setting up a Moslem-Croat federation, the accord envisages for the new state's confederation with Croatia. It defines March 15 as the deadline for formulating a draft constitution of the new state and the modalities of its confederation with Croatia.

After the signing ceremony, Christopher said that the United States and the Western allies would make every effort for the accord to be implemented in practice and promised to assist Bosnian reconstruction financially.

Moslem Premier Silajdzic said he was "hoping and praying" this was the first step in the direction of peace and that the United States would remain actively involved in the peace process in the future.

The U.S. Administration hopes as the next stage to put pressure on Bosnian Serbs to join the new bilateral federation, although government circles are less than optimistic as to the chances of this.

Washington hopes that the concept of a dual state would make it possible for the Moslems to retain, at least partially, the integrity of Bosnia, enlarge the territory under their control, give them access to the sea and create a strong negotiating (and, possibly military) bloc against the Serbs in the next stage.

Karadzic Criticizes U.S. Role

AU0203161994 Paris AFP in English 1556 GMT 02 Mar 94

[Text] Moscow, March 2 (AFP)—Bosnian Serb leader Radovan Karadzic criticized the United States Wednesday for its role in brokering a Moslem-Croat federation agreement without consulting the Serbs, but stopped short of condemning the deal.

"We can welcome this agreement only if it is not aimed against Serbs. Only if it leads us to peace and not war," he said following a meeting here with Vladimir Shumeyko, the chairman of the upper house of Russia's parliament, the Federation Council.

He said the United States was trying to take over the role of the United Nations in the peace process by brokering the agreement Tuesday under which Bosnia's Moslems and Croats would form a federation on territory they control in Bosnia-Herzegovina.

He charged that Washington was "biased in favor of the Moslems" and voiced concern that the United States was "monopolising" the process. "We would like to see America unbiased, impartial and then we would accept one power to mediate those talks. But I don't think that the United Nations should be abandoned and let one power arbitrate," he said.

Karadzic, who agreed to Russian requests Tuesday to open Tuzla airport in northern Bosnia to humanitarian flights as long as this was under Russian supervision, also said he told Shumeyko, whose chamber is empowered to authorise the deployment of Russian troops abroad, that he was ready to pull back on territorial gains made in the 23-month war.

"We are ready to give back, to roll back, a big amount of territory. (...) We are ready for compromises and we

want Russia to support us in compromises provided we protect basic Serbian national interests," he stated.

Karadzic called for "Bosnia's new borders" to be "guaranteed by an international agreement at the highest level" and cited a proposal by President Boris Yeltsin to hold a five-nation summit as an initiative that could lead to such a treaty.

280 Dutch UN Peacekeepers Leave for Bosnia

AU0103162694 Paris AFP in English 1558 GMT 1 Mar 94

[Text] The Hague, March 1 (AFP)—A group of 280 Dutch UN peacekeeping soldiers headed to Bosnia Tuesday [1 March] to join a Dutch battalion in charge of protecting the Moslem enclaves of Srebrenica and Zepa, a Defense Ministry spokesman here said.

The soldiers are expected to arrive in the Croat seaside city of Split Tuesday afternoon. On Wednesday, after recovering equipment from a Dutch navy frigate, they are to head to Lukavac, where their battalion is based, and then on to Srebrenica and Zepa, in eastern Bosnia.

The Defense Ministry spokesman said the 280 soldiers will bring up to 1,100 the number of Dutch soldiers deployed in Bosnia. An additional 150 are expected there by the end of the month, he added. Additional Dutch soldiers are deployed in ex-Yugoslavia and on air bases in Italy from where they enforce the UN no-flight ban over Bosnia. Dutch troops are also deployed along the Danube to enforce a trade embargo against Serbia.

Croatia's Tudjman Continues Visit, Activities

Attends Opening of Embassy

LD0103174394 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 1 Mar 94

[Report by correspondent Andjelko Perincic from Tirana]

[Excerpt] [Perincic] Our embassy was opened in the capital of Albania today in a formal ceremony held in the presence of Franjo Tudjman, president of the Republic of Croatia. The ceremony was attended by the leadership of this friendly country: Albania President Sali Berisha, Pjeter Arbnori, president of the People's Assembly, and Prime Minister Aleksander Meksi. Also present were members of the diplomatic corps and many citizens of the host country.

Following a speech by Croatian Ambassador in Tirana Mladen Jurisic, those present were addressed by Croatian President Franjo Tudjman.

[Begin Tudjman recording] The opening of the Croatian Embassy in Tirana marks the beginning of something special in that it is the continuation of the (?historical) links between the Croatian and Albanian people ever since the Illyrian times. [end recording]

[Perincic] Let us remember Queen Teuta. The legendary Albanian hero, George Kastrioti, is mentioned in Croatian folk songs. This is yet more evidence of the links between the two peoples. It should not be forgotten, Tudjman went on to add, that in the former Yugoslavia under the leadership of Tito, a Croat, the Albanians of Kosovo enjoyed all rights, including their university and academy.

[Begin Tudjman recording] Today, under democratic conditions, and with the introduction of democratic systems in Croatia and Albania, we wish to continue the legacies of history on new foundations and in the new situation in which both Albania and Croatia need to be the mainstays of the new international order in southeast Europe. [end recording]

[Perincic] Albanian President Sali Berisha also spoke briefly. He expressed the hope that the Croatian Embassy in Tirana would serve to enrich cooperation between the two countries. He also expressed satisfaction with President Tudjman's visit to mark the occasion. He voiced the hope that the Croatian and Albanian people will continue to nurture their traditionally good relations. In this context he mentioned (Milan Suflaj), a Croat expert on Albania, killed at the time of the Yugoslav monarchy. [passage omitted]

News Conference, Departure Reported

AU0103211894 Tirana TVSH Television Network in Albanian 1900 GMT 1 Mar 94

[Text] We have just received a report on the activities in our country this afternoon of Croatian President Franjo Tudjman.

This afternoon, Croatian President Franjo Tudjman visited the art gallery. Qirjako Meniko, the director of this institution, acquainted the high-level guest with the best work of Kole Hidromeno, Nexhmedin Zajmi, Odhise Paskali, and other authors. During this visit the Croatian president was accompanied by Dhimiter Anagnosti, minister of culture, youth, and sports.

Several bilateral agreements were signed at the Palace of Congresses and the Foreign Ministry today. An agreement on cooperation in the field of tourism between the Government of the Republic of Albania and the Government of Croatia was signed by Ministers Spaho and Bulic. An agreement on petroleum research inland between the National Agency of Hydrocarbons and Croatian National Company Ina Naft Plin was signed by Fatbardh Ademi and Franjo Gregoric. Presidents Berisha and Tudjman were present at the signing ceremony.

Arian Starova and Ivo Sanader, Albanian and Croatian deputy foreign ministers, signed an agreement on cultural, educational, and scientific cooperation and an agreement to abolish visas for diplomatic and business passports between our two countries.

At the end of the two-day visit in Albania, Presidents Berisha and Tudjman gave a news conference for reporters.

President Berisha pointed out that the visit of President Tudjman is a real contribution to the friendly relations between Albania and Croatia and that we should expand these relations in the political, economic, technical, and scientific fields as well as in tourism, education, etc. Croatia is a state under attack, and this aggressor is Serbia, President Berisha said.

We greet Europe's support for the NATO attack and think that this support is indispensable. The Croatian Government can make its own contribution to resolving the question of Kosova, because we think that there cannot be a solution to the crisis in the region without solving the problem of Kosova, President Berisha said. He also pointed out that Kosova should be placed under an international protectorate.

For his part, Croatian President Tudjman stressed that Croatia is a friendly country for Albanians. We have been historically tied since Illyrian times and even the Croatian chronicles write about our common enemies. Croatian literature speaks about Queen Teuta and glorifies Scanderberg. As countries that lie next to the the Adriatic Sea, Albania and Croatia aspire to move toward the European Community.

President Tudjman also pointed out that the international community has taken powerful steps to solve the crisis in Bosnia-Herzegovina politically. The Granic-Siladzic talks will end in Washington today and a preliminary agreement is expected to be drafted, which constitutes a contribution to stopping the war in Bosnia-Herzegovina.

Berisha and Tudjman later answered reporters' questions. Regarding Croatia's attitude toward the Kosova question, President Tudjman said that Croatia has been engaged in recognizing the rights of the 2 million Albanians who are in their lands.

Answering a question on Albania's implementation of the embargo against Montenegro, President Berisha answered by saying that Albania is serious and interested in implementing the embargo. However, Albania has requested that Montenegro and Kosova be excluded from the embargo because Kosova is under Serbian occupation. Meanwhile, Montenegro has maintained a different attitude. The application of the embargo by Albania has been confirmed by international inspections.

The signing of the Partnership for Peace is a very important act in the cooperation between Albania and NATO. I think that this signing assumes special dimensions. During the days of the ultimatum, Albania was among the first countries to be ranked by NATO; it clearly and finally demonstrates its definition by the Western world and determinedly supports the principles and assets that this civilization defends. In this context, I have the conviction that this is an important event for all Albanians wherever they are.

Croatian President Franjo Tudjman ended his official visit to Albania this evening. Albanian President Sali Berisha was at Rinas airport to see him off. Bashkim Kopliku, Council of Ministers deputy chairman, Foreign Minister Alfred Serreqi, and others were also present. The diplomatic corps accredited in Tirana was also at Rinas airport. On this occasion the band played the national anthems of both our countries, Croatia and Albania. The honor guard was also paraded.

Role of State Intelligence Service Questioned

AU0103145594 Tirana ZERI I POPULLIT in Albanian 24 Feb 94 p 2

[Ana Ansiani article: "Where Are the Sigurimi Collaborators Today?"]

[Text] People, especially public figures, are suffering from an anxiety complex. "...surveillance by the State Intelligence Service [ShIK]"... Courageous denunciations in the press, complaints of telephone bugging, the Probati and Ngjela cases with the grim interpellations with Mr. Sigurimi, banished three years ago, at least in one of its functions: the harassment of party opponents, or of critics of reality in general and of the president in particular. Of course, data on what citizens think in private cannot be compiled without an information network. No intelligence service so far has ever worked solely with its permanent staff and without collaborators. During the reform of the ShIK, 90 percent of the former Sigurimi staff were removed from their posts and replaced with new people. However, what has happened to the former secret information network, which had its own invisible threads, its hangers-on, its internal organization, and its autonomous operation? Have these structures been dismantled and their members laid off, or have they simply been left to decay? Where today are the Sigurimi collaborators, the underwater portion of the intelligence iceberg? And—who are the ShIK's informers? Has a new network been created from scratch, or have old connections been partially maintained? We have reason to believe that the latter is true, when we see today, as in days of yore, certain "curious" individuals at whom people point their fingers as "provocateurs." This intertwining of two networks, this interference of old connections with new, could be very dangerous for Albanian politics, and even for the country's security. The indecisive attitude of parliamentary deputies to the question of the files of former Sigurimi collaborators further muddies the issue. They all say they favor opening the files, especially when they relate to people involved in politics and holding important state offices. However, when the time comes for a decision, such a decision is always postponed for no convincing reasons. There has not even been the kind of broad discussion and debate as took place in the Czech Republic, Slovakia, Poland, Bulgaria, and elsewhere. It seems that the files will be a blackmail weapon for a long time, and that politicians will unhesitatingly use them against each other. Opening the files would eliminate suspicious, yet there are certain persons who have decided to keep suspicions alive. They need these suspicions in order to attack each other, to denigrate whoever is next in line, to eliminate those who are no longer useful, etc. The latest example has been the fragment of some kind of file that RILINDJA DEMOKRATIKE winkled out from who knows where, concerning the deputy Petrit Kalakula, the most recent rebel within the ranks of the Democratic Party. How quietly the Pobrati affair blew over. The ShIK chairman was called to an interpellation in parliament, was asked questions, and that was the end of it. Information on well-known intellectuals had been sought, but the intellectuals made no murmur. Information had been sought on deputies, but they, even ministers, forgot everything after a verbal protest in parliament.... It seems that everything is just a simple show, an ordinary game in which everybody has his own role and is conscious of the roles of the others. Students of political history consider the involvement of secret services in political power games to make the most interesting and mysterious chapters in history books. Such a thing is credible, because there is a moral to it. How moral is the role of the ShIK in Albanian politics?

Military Officials Discuss Budget Petition

AU0203123094 Sofia KONTINENT in Bulgarian 28 Feb 94 p 1

[KONTINENT staff report: "Minister Reportedly About To Order Arrests To Quell Revolt in Army"]

[Text] The KONTINENT correspondent in Khaskovo reported that dozens of garrisons throughout the country are allegedly supporting the petition that the coordinators and chairman of clubs of the Rakovski Officers Legion have been organizing during the past few days. The main demand in the petition is that 37 billion leva should be allocated to defense, in line with the estimate submitted by the General Staff. The Legion's members also demand that the new defense act should contain provisions regulating servicemen's civil rights.

Defense Minister Valentin Aleksandrov reportedly reacted very strongly and ordered measures to be taken against a revolt in the army. The organizers of the petition escaped arrest by a hair's breadth, KONTINENT was informed by a source who preferred to remain anonymous.

Valentin Aleksandrov, Chief Military Prosecutor Lilko Yotsov, and Military Counterintelligence chief Colonel Stoyanov held a high-level meeting recently in Sofia to discuss the situation. On Saturday 26 February Chief of General Staff General Lyuben Petrov is reported to have summoned representatives of the Rakovski Legion. They reportedly assured him that they had no intention to raise a revolt and destabilize the army. The chief of General Staff also received assurances that the Legion would continue to observe the agreement signed with the defense minister that rules out the use of force to resolve disputed issues.

The initiators of the petition told KONTINENT correspondent Aleksandur Bozhkov that the petition will continue, and it will be handed in to parliament in a civilized manner.

President Zhelev and Prime Minister Berov were briefed by Defense Minister Aleksandrov on the situation among the troops.

Deputies Urge SDS To Mobilize for Elections

AU0103171894 Sofia PRESSLUZHBA KURIER in Bulgarian No. 38, 23 Feb 94 pp 3, 4

["Statement by deputies of the former Grand National Assembly who refused to sign the Constitution and declared a hunger strike in 1991, adopted at a meeting in Blagoevgrad on 19 and 20 February 1994"]

[Text] The following persons were present when the document was made public: Aleksandur Dzherov, Aleksandur Yordanov, Aleksandur Pramatarski, Aleksandur Chirkov, Aleksandur Yanchulev, Andrey Avramov, Vladislav Daskalov, Vladimir Manolov, Ventseslav Medarski, Ventseslav Dimitrov, Vasil Kostov, Georgi Lipovanski, Georgi Markov, Georgi Petrov, Dimitur Topliyski, Elka Konstantinova, Zlatka Ruseva, Ilich Tsvetkov, Ilko Eskenazi, Mikhail Nedelchev, Nikolay Slatinski, Pavel Mazulov, Spas Dimitrov, Snezhana Botusharova, Stefan Savov, Todor Kolev, and Khristo Markov.

In Blagoevgrad on 19 and 20 February 1994, a meeting was held of people's deputies who, by their boycott of parliament and refusal to sign the Constitution, contributed very greatly to the victory of the Union of Democratic Forces [SDS] in the elections to the 36th National Assembly.

This was a meeting of people of like mind who were and are united in the struggle against the Communist Party. Having preserved human relations between one another and united under the motto: "I am not a Communist and will never be one,..." we shared our alarm and concern for the fate of democracy in Bulgaria.

In Bulgaria an active process of recommunization is under way, and the most retrograde circles of the former Communist Party are increasingly raising their heads. At the meeting we shared information about the intention of the Bulgarian Socialist Party [BSP] to undertake actions in parliament before the elections aimed at repealing the main laws on restitution, chiefly those regarding town property. At the same time, it is expected that the process of the return of farmland to its owners will be halted and blocked throughout the country. According to reliable data, an open attempt is being made to take control of the judiciary, and then the Constitutional Court. Information coming in from all over the country shows that preparations are being made to settle accounts everywhere with SDS members and sympathizers, which includes dismissals from jobs for political reasons.

We are even more alarmed by the fact that BSP circles are preparing to strike against all democratic forces in the country by adopting a new electoral law. They continue their attacks against SDS-controlled local authorities, blocking their work and trying to eliminate them before the elections. Recently they have been holding numerous meetings and talks with high state officials at which they openly discuss ways to deal a blow against the parliamentary system. At the same time, we cannot fail to look the truth in the eye and see that thousands and millions of people in Bulgaria are living in even greater poverty and hardship under the fear of the increasing crime rate.

The entire responsibility for all of this falls upon the unreformed BSP—the opponent of the democratic processes in Bulgaria—and on the leaders for whom the word communist continues to be sacred. Even today, this party—the chief culprit responsible for Bulgaria's national disaster—continues to rule Bulgaria.

In this complex and exceptionally demanding situation, the issue arises of the unity of the SDS and of dialogue

with all noncommunist political and trade-union organizations in Bulgaria. The SDS should form the basis and motive force for the democratic process, and not become a place for personal attacks, intrigues, and seeking "the enemy within the party," like the Bolsheviks.

In the period left before the early parliamentary elections, the SDS parliamentary group must devote all its efforts to preventing the success of the attempts at recommunizing Bulgaria. The SDS parliamentary group must defend the most precious achievements of democracy achieved through the laws passed by the SDS. It must continue to work actively on the new SDS program and make its contribution toward solving people's everyday problems.

While defending democracy in parliament, at the same time the SDS should start mobilizing and organizing its forces to demand and win the future elections by actions within and outside parliament.

The participants in the meeting are convinced that all efforts must be made to ensure that the SDS wins the elections and assumes the responsibility for ruling the country.

BSP Deputies Protest Charges

AU0203072294 Sofia PRESSLUZHBA KURIER in Bulgarian No. 38, 23 Feb 94 pp 5, 6

["Statement by Parliamentary Union for Social Democracy on the position adopted by the Group of 39, issued by the Press Center of the Bulgarian Socialist Party"; date not given]

[Text] The Press Center of the Bulgarian Socialist Party [BSP] and the Parliamentary Union for Social Democracy [PSSD] is authorized to issue the following statement:

At present the Group of 39 [deputies of the former Grand National Assembly who refused to sign the new Constitution in 1991] is attempting, through the agency of the chairman of the National Assembly, to cast on the BSP the guilt for its own grave crimes as regards the democratic changes in Bulgaria. It was the extremist actions of the Union of Democratic Forces (SDS) following the Varna meeting of the Group of 39 two years ago that led to the blocking of the agrarian reform, the repoliticization of the judiciary, the escalation of political persecution, and the transformation of property restitution into total restoration of the old state of affairs.

Then the SDS used slanders and insinuations against the BSP as alibis in the eyes of Bulgaria and the world. Today, however, nothing can conceal the brazen sabotage of the state's power that is being carried out by the highly paid bureaucrats foisted on the state by the SDS.

This latest hysterical propaganda campaign against the BSP cannot distract attention from the grave situation within the blue [SDS] coalition. The intrigues that each person in the SDS is pursuing against all the rest, including through election barriers, lists of deputies, and bargaining in the lobbies, are today a public secret. They cannot be camouflaged by the ostensible anticommunism displayed by guilty dabblers in politics.

It is high time that the SDS stopped engrossing society in its own political degradation, as it leaves the problems that it has itself created for others to solve. The cheap demagogy of the SDS deputies will not relieve them of their responsibility for Bulgaria's collapse.

Forum Claims Macedonians of Bulgarian Origin

AU0103152194 Sofia PRESSLUZHBA KURIER in Bulgarian No. 38 23 Feb 94 pp 10, 11

["Statement by the executive leadership of the Constitutional Forum on the Macedonian question"; place and date not given]

[Text] The Constitutional Forum has always followed a policy of maintaining close contact with Bulgarians abroad, defending their interests as a matter of principle, and using their efforts to surmount the crisis that our fatherland is experiencing.

Taking account of the historical truth concerning Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], the Constitutional Forum categorically rejects the Serbian and Komintern thesis of Macedonianism and, in conformance with the facts of history, declares that the Slavs in Macedonia are native [prirodni] Bulgarians.

We are distressed, however, to have to confirm that the agents of authority representing the Bulgarian state continue to handle the Macedonian question in the spirit of the Komintern doctrines. In this connection, the Constitutional Forum demands the following:

—Reestablishment of the historical truth concerning the Bulgarian nature and origin of the Slavs in Macedonia. The president, parliament, and government should issue declarations to this effect and mount an international campaign to defend the national rights of our compatriots.

—Opposition by diplomatic means to the pressure being applied to Macedonia by Greece and Serbia to ensure the possibility for the state of Macedonia to develop in peace.

We are convinced that the democratic Bulgarian public is bound to defend the historical interests of the Bulgarian national spirit in Macedonia, while our state guards against a settlement of the Macedonia question by the use of force.

We call upon the mass media to handle the Macedonian question in conformance with the historical truth.

Commentary Views Yeltsin Speech, Implications

AU2802165394 Sofia KONTINENT in Bulgarian 25 Feb 94 p 8

[Commentary by Andrey Apostolov: "Alas, the Bear Is Not Dead Yet!"]

[Text] One week after Russia's Sarajevo initiative obliterated NATO's ultimatum and confused the plans of certain eastern and western capitals, Moscow claims that it has come out of the three year-period during which it used to lethargically bow to the West and indicates that it will not stand in front of Brussels' gates as Henry IV used to in front of the gates of Canossa.

With his address to the Federal Assembly, President Yeltsin certainly gained points in Russia, which still awaits the billions the West promised. This is the first time that Moscow has warned the West in such a categorical manner that the time of unilateral concessions, especially regarding defense, is over and that expanding NATO without its participation would be a threat to Europe and the world. This could only mean one thing for NATO's East European candidates—they will have to wait. Apparently, the period of waiting will be a long one.

The "a-la-Zhirinovskiy" style, with which the president declared that a priority task will be to strengthen the state and prompt it to act firmly and decisively when the state interests require this, will obviously be a leading style of Russian policy. This was not a mere implication but a threat to NATO and those neighbors who have written Russia off as a great power. Now they will have to get used to the formula of "protecting the Russian citizens' life and interests." A similar formula in the last 40 years sent U.S. troops to the Dominican Republic, Vietnam, Grenada, Panama, and many other places. The Russians do not have to go that far to send their troops. After all, their troops already are in Georgia, Tajikistan, the Baltic states, and so on.

The Western capitals probably watched Yeltsin's address, which was directly carried by CNN, and even more probably, they were unpleasantly surprised. The dying bear was brought back to life and it appears that it did not forget how to jump.

BSP Official Views FRY Visit, U.S. Policy

AU2502142394 Sofia DUMA in Bulgarian 22 Feb 94 p 8

[Interview with Nora Ananieva, chairperson of the Bulgarian Socialist Party parliamentary faction, by Dora Chichkova; place and date not given: "No Parties or Persons Should Impose Themselves in Balkans"]

[Text] [Chichkova] Certain commentaries on your visit to Serbia contain the clear accusation that the visit took place at an inappropriate time, and that the opinions you expressed there do not coincide with the official attitude of the Bulgarian Government toward our western neighbor. Actually, what was the purpose of your visit?

[Ananieva] The parliamentary delegation of the Parliamentarian Alliance for Social Democracy visited Dimitrovgrad, Belgrade, and Novi Sad on 7-8 February at the invitation of the Serbian Socialist Party. If your question implies that we have deliberately selected the date of the visit, in other words, that we selected on purpose the brief period between two events that focused the attention and efforts of the entire world—the sinister massacre in Sarajevo and the ensuing decision on air strikes against Bosnia, which is torn apart by the civil war—I am tempted to answer in the affirmative. If this was so, then we could claim supernatural intuition, incredible information, and great organizational abilities. However, I will not succumb to this temptation and will only say that it is the constant position of the Bulgarian Socialist Party [BSP] the dialogue between all forces should never stop, and that this especially applies to crisis situations, when specific decision related to national interests are required. In all my public appearances I expressed the official Bulgarian position regarding the observance of the sanctions imposed by the UN Security Council. However, this position does not contradict the doubt whether the pressure applied in this manner on the rulers of any state could justify, for such a long period, the suffering and deprivation of such broad circles of the population in so many countries, including Bulgaria. This is especially true against the background of the voices that were heard recently regarding the need to review the instrument of sanctions. People ever more frequently ask the question of whether the sanctions achieve the anticipated effect and of who is actually paying the price? In other words, who is actually the one who is being punished?

On the other hand, the basic goals we pursued in our talks were related to the more active and broad participation of our country and companies in the humanitarian relief, resolving the transportation corridor issue, and preparing the ground for active economic relations after the embargo. Which of those goals do you think could jeopardize Bulgaria's national interests?

According to Borislav Jovic, chairman of the parliamentary Foreign Policy Commission of the Council of the Republics, the peace in Bosnia-Herzegovina and the lifting of the sanctions represent the backbone of Yugoslav foreign policy. However, he does not think that the war was the reason for imposing the sanctions.

[Chichkova] What was the real reason?

[Ananieva] The reason is, on the one hand, in the neoimperialist interests of the United States in the Balkans within the framework of the international competition for influence, and, on the other hand, in the difficulties the United States encounters in implementing those goals when governments with leftist orientations are involved. The United States utilizes the sanctions in order to change the government and the people who rule

Serbia. However, according to Mr. Jovic, this script is failing and only strengthens the anti-American moods. During our talk he expressed the opinion that no parties or persons should impose themselves in the Balkans. The people in this region have enough historical experience to select, alone, the parties and people whom they will entrust with their future. If they select the leftist alternative, as was the case with Serbia in the three elections since 1989, no one has the right to punish them with sanctions.

[Chichkova] However, the Socialists' influence decreased after the last elections.

[Ananieva] It rather stabilized. While only a few more votes were needed for gaining the absolute majority in the parliament, the party nevertheless seeks dialogue with other parliamentary factions. Mr. Dragan Tomic, the former leader of the Socialists' parliamentary faction, was elected chairman of the parliament. He even received four votes from the opposition in the secret vote.

According to the Serbian Socialist Party, the most suitable formula for the cabinet is a government of national unity, in which the Socialists will be 50 percent plus one, and will hold the posts of prime minister and minister of the interior. They do not think that this is shifting responsibility, but rather a proposal to share the responsibility and participate in the government. In the next six months, they anticipate an economic stabilization and production revival. However, Mr. Milorad Vucelic, the newly elected leader of the Serbian Socialist Party parliamentary faction and general director of the Belgrade Television, expressed doubt whether the opposition would like to share the responsibility, or prefer to boycott and aggravate the parliamentary activity. Simultaneously, he expressed the Socialists' firm determination to not allow the theft of their election victory, because they made maximum efforts to ensure the country's leadership at this crisis period not only through specific economic and social programs, but also through their cadre potential.

[Chichkova] Do they anticipate lifting the embargo?

[Ananieva] According to Mr. Jovic, the world public opinion underwent an evolution and understood that the Serbs have been punished without being guilty. He thinks that, after the United States failed to achieve its goals, it is now seeking a solution and declaring a willingness to lift the embargo, without carrying the responsibility for this. Deputy Prime Minister Zeljko Simic stressed that the sanctions affect the peaceful population and the economy of all Balkan countries. He maintains that a double standard is applied regarding Serbia. The world public is being served biased information about the Yugoslav crisis, and humanitarian relief that is not subject to sanctions—food, medicines, and fuel for the heating of hospitals and refugee camps—is being stopped. Even international organizations that by definition are of a humanitarian character have a biased attitude and thus take part in the genocide of the Serbian people, Mr. Simic said.

Mr. Simic asked us to greet Mr. Zhelev and tell him that his accidental or misinterpreted statement about air strikes against Belgrade did not contribute to improving relations between our countries. He also said that, regardless of how different our views about the development of the new world order would be, we both have no chance of finding ourselves in a different geographic location. This means that we will also be neighbors in the future. The better neighbors we are, the better it is for us.

[Chichkova] What leftist Balkan forum did you discuss during the visit?

[Ananieva] Such a forum has been discussed for a long time. The main initiator is the Panhellenic Socialist Movement [PASOK]. The Serbian Socialists attribute a great importance to a meeting of the Balkan leftist forces. They think that such a meeting would facilitate a serious analysis and assessment of the situation in the region, would contribute to consolidating the leftist alternative, and would stimulate dialogue and cooperation.

Our party has already discussed this prospect with PASOK and, in our talks with the Serbs, we referred to the opportunity of utilizing the possibilities of the separate parties in order to expand participation in such a meeting. The Serbian Socialist Party has good relations with the leftist forces in Romania, and for our part, we will try to cooperate in this direction on the basis of our contacts with the leftist forces in Albania and Turkey.

[Chichkova] Did you want to keep your visit secret?

[Ananieva] If I would not have guessed why you are asking me this question, I would have thought that you are naive. Modern technology has turned the world into a village and hardly anyone with good senses could view a visit to a neighboring country, observed by the entire world, as a conspiracy. In addition, the mass media reported broadly on the visit. The grave accusations of national treason, voiced by a Bulgarian journalist in a foreign radiostation, were based on a report of a Bulgarian correspondent of the same radiostation in Belgrade. Naturally, her information was biased and one-sided. When no normal information relations exist between our two countries, only reports of such a biased nature could be published by the press.

UNPROFOR Contingent 'Inadequately Armed'

AU0103150094 Prague MLADA FRONTA DNES in Czech 28 Feb 94 p 2

[Article by Jaroslav Kmenta: "The Czech UNPROFOR Soldiers Forces Are Inadequately Armed"]

[Excerpt] So far, the Czech soldiers of the UN peacekeeping forces, operating on the territory of the former Yugoslavia, have not been adequately armed. This was established by an army inspection headed by Jaromir Novotny, director of the Foreign Relations Section at the Defense Ministry.

The inspection found that, according to the applicable tables on issue of arms, the soldiers were armed for peace conditions. "If something happened, each soldier would certainly have some kind of weapon, but we have decided that he will be better armed," Novotny said. He emphasized that the army command also decided that each UNPROFOR [UN Protection Forces] battalion will have a submachine gun. To date, submachine guns have only been used by the soldiers authorized to do so by the appropriate standards.

Novotny stated that the unit will have guided anti-tank missiles at its disposal.

The better equipment for the Czech troops will be brought by the 117 soldiers who yesterday left the UN peacekeeping forces training base in Cesky Krumlov for Karlovac in Croatia. [passage omitted]

Klaus Interviewed on Bosnia, Israel, Neighbors

LD0103212494 Prague Radiozurnal Radio Network in Czech 1715 GMT 1 Mar 94

[Regular weekly interview with Prime Minister Vaclav Klaus by station editor Lucie Weissova; place not given—live or recorded]

[Excerpts] [Weissova] Prime Minister, you had talks yesterday with Polish Sejm Speaker Mr. Oleksy. At the same time, you said that Czech-Polish relations are of absolute priority for us. Can you explain why they are more important for us than, for example, relations with Slovakia or Germany?

[Klaus] I certainly did not say that they are more important than relations with Germany or Slovakia. I think that it was necessary to use this visit to dispel certain doubts which continue to exist on the Polish side. They have lasted for four years. If you remember, there was an occasion when we did not open small-scale border contacts. On another occasion, we did not want to solve the questions (?anew). We almost forgot that. And there was something else for the third time.

At the moment there have been complications as regards our weak attitude toward the Western countries regarding entry to NATO and the Partnership for Peace. Part of the Polish press continues to create the impression that we want to do something against Poland or without Poland and so on.

So I am glad that this visit has taken place and I was quite conscious in uttering those welcoming sentences, but it certainly did not mean putting these relations above Slovakia or something like that.

[Weissova] Nevertheless, the mass media often criticize our government for the relations which it has with its neighbors, for example, as far as the countries of Visegrad are concerned, they blame the Czech Republic for not wanting to progress in a coordinated way, for wanting to be isolated. The kernel of discord between us and Austria is Temelin. Relations with Germany are complicated by the Sudeten German question and criticism of our government appears in the mass media regarding its foreign policy toward neighbors. Do you agree that this policy does not take sufficient consideration of tactics concerning these sensitive questions?

[Klaus] I certainly do not agree with it. If we had no neighbors we would have no problems with neighbors. [passage omitted] I simply cannot agree that our policies are irrational, inconsistent, and badly thought out. This is not true, and I cannot imagine what kind of policies we should conduct for them to be better. Should we go for the Austrian blocking of Temelin? Would it be better foreign policy? [passage omitted] The fact that we are being criticized by a small fraction of the German press, in my view, is evidence that we are doing things correctly.

[Weissova] Prime Minister, NATO planes have interfered in Bosnia. What do you think about this resolute step? Can this demonstration of NATO determination contribute toward ending the protracted conflict or, on the contrary, worsen it?

[Weissova] I do not like to pass absolute judgements because, as I have understood up to now, or at least up to this morning as we are talking, it was not clear at all what kind of planes they were, which sides were involved, and what was behind it. We know very well that in this strange war there are a lot of strange activities by individuals going on which are not completely synchronized and coordinated with the others. [passage omitted]

[Weissova] Events in Hebron on Friday, where a Jewish settler, a doctor, shot dozens of praying people, shook the world by its scale and manner. You were recently in Israel and met its top representatives. You saw the complicated problems there: Do you think that this action could jeopardize or make it impossible to bring peace to the area?

[Klaus] I am worried. I am really worried that this is a huge blow to all peace talks. What really makes me concerned is my feeling that a massacre on this scale could not be the work of one individual, however mad he was. It had to be prepared, there had to be some sort of logic and support behind it. This is why I am worried

that this was not an isolated deed committed by someone who deals with problems of the world in this mad way. And this is what bothers me. It would indicate that something similar can happen again and this is really bad.

I have seen the swift reactions of Israel in its obvious counter- gesture of releasing thousands of Palestinian captives in an attempt to rectify this dreadful deed.

I have seen this problem, the internal political conflicts in the Israeli parliament. I saw there at the same table representatives of a group that would never negotiate with Palestinians opposite a group which wants the negotiations. I am afraid that what happened has added complications to a problem which is already difficult.

[Weissova] My last question is about coupon privatization in the Czech Republic. The completion date for the preparatory round of the second wave has been finally set. [passage omitted] Why was this preliminary round so long? Was it necessary?

[Klaus] [passage omitted] All enterprises which are to enter the second wave of coupon privatization must have their annual accounts settled. This takes time and it could not be done any quicker. If this took place three months earlier or later and the annual balancing did not come into it, it could have been done faster.

Czech, Polish Parliament Leaders Hold Talks

LD0103163594 Prague Radiozurnal Radio Network in Czech 1500 GMT 1 Mar 94

[Text] At the beginning of the bulletin we shall go over to the Chamber of Deputies in Prague. Our correspondents Ivana Anyzova and Milan Repka have been following today's developments there.

[Repka] The speaker of the Polish Sejm, Jozef Oleksy, said after the talks with Czech parliament speaker Milan Uhde that Polish and Czech views of the integrational process into European structures and of basic principles on which a united Europe should be built were identical.

Jozef Oleksy went on to say that some media claims that the Czech Republic did not favor regional cooperation within the Visegrad Group were regarded as issues of no lesser importance and that the Polish side expected to receive an answer to these issues. Oleksy added that the explanation the Polish delegation received in this respect was satisfactory.

Asked by Czech radio whether the Partnership for Peace project was also discussed during the meeting with the Czech parliament speaker Milan Uhde, Jozef Oleksy said that this issue was discussed, too, and that, in his view, the Czech side's approach to the signing of this agreement, which was already signed by Poland, was rather cautious. In this connection it is noteworthy, however, that Czech Premier Vaclav Klaus is to sign this agreement on 10 March.

Answering a question by a Polish journalist as to whether the Polish delegation discussed also requests related to the return of property to Polish associations, Speaker Oleksy replied that he discussed this issue during all his official talks with the Czech side.

[Anyzova] Regarding this issue, Czech Parliament Speaker Milan Uhde told Czech radio that he did not recall that this topic had been brought forward during his talks with the Polish Sejm Speaker Jozef Oleksy in the Czech parliament today. Milan Uhde then told Czech radio that although this issue has not been officialy addressed, he himself was aware that some Polish, mostly cultural associations active within the Polish national minority, were claiming back the property, which was once Polish, including the property of various legal entities which was first of all confiscated from these associations by the Germans. These associations claim that this property has been returned neither by the Czechoslovak nor the Czech Government.

According to the speaker of the Chamber of Deputies, it is not absolutely clear whether this issue goes back before February 1948. In conclusion, Milan Uhde added that nobody on the Czech side has considered this issue in detail so far.

Oleksy Meets With Media, Comments

LD0103203394 Prague CT 1 Television Network in Czech 1830 GMT 1 Mar 94

[Text] Polish Sejm Speaker Jozef Oleksy is ending his visit to the Czech Republic today. In his talks he learned that the Czech Republic does not wish to change the Visegrad Four into a lobby for persuading the European structures to accept these countries more swiftly. When meeting the press at the end of his talks in Prague, the Polish Sejm speaker said that Poland also does not wish for the institutionalization of the Visegrad Four and acknowledges that the Czech side emphasizes economic cooperation. On the other hand, Poland is convinced that the Visegrad Group ought to explain jointly to the West European countries its urgent need to join the European structures.

In an interview for Czech television, the Polish Sejm speaker spoke about the current situation in Russia and the possibility that Russia would like to play the role of superpower also within the Partnership for Peace program. Poland must carefully follow developments in Russia where democracy is only in its initial stages. Poland must draw its conclusions and bring them to the Pan-European discussion.

In spite of its firm Euro-Atlantic course, in no way could Poland neglect its good economic relations with Russia and Ukraine because it sees the [word indistinct] future of Polish interests in them also, Mr. Oleksy said.

Poland and the Czech Republic are of the opinion that only democratic Russia should take part in the structures of the Europe of the future and in its future security

system. A Russia with an imperial policy will not fit into the strategy of European security, as it is perceived by Poland and the Czech Republic, the Polish Sejm speaker said in Prague today.

Article Outlines Trade With Russia

AU0103180494 Prague HOSPODARSKE NOVINY in Czech 21 Feb 94 p 7

[Article by Marcela Doleckova: "The Sun Is Rising in the East: Trade (Not Only) With Russia Is Picking Up"]

[Text] The times when a protocol on mutual deliveries was signed once a year, and when, after that, Czech enterprises expedited goods in a "standard" way to the Soviet market, are gone forever. The times when Czech enterprises waited fruitlessly (and are still waiting) for payments—again in a "standard" way—are also gone. It seems that the era of genuine standard trade, without the quotation marks, has arrived. The trading conditions, however, may not be quite standard yet, but Czech manufacturers and exporters are rapidly learning to tackle them.

A Small Exporter Myth?

From the naivete of the questions that some Czech entrepreneurs are asking of the Mixed Chamber of Commerce "East" it can be inferred that small exporters are really a myth. If someone who is interested in the Russian market is inquiring whether there are custom fees in Russia, what can be sold there, and who buys what, then he has no great chances. Maybe it is this naivete that makes the Chamber prepare more educational courses for Czech entrepreneurs—the beginners. The chairman of the Chamber, Josef Cerny, as well as its secretary general, Miroslav Cuker, are stressing that small exporters do not have do be a myth, however, a completely unexperienced exporter is certainly a myth. All those who have successes on the Russian market today have experience and know their territory. If an exporter knows what products he wants to export, when he has an idea about the price and the quality, then he can much profit from the Chamber. The Chamber is connected to a network of about 60 regional chambers in Russia, and through them our Chamber "releases" information onto the Russian market. The Chamber has a secretariat in Moscow that, every month, publishes the offers of the Czech and Slovak entrepreneurs, and mails them to about 3,000 addresses. Anyway, any Czech entrepreneur can buy the directory of Russian entities at the Chamber in Prague. Prospective Czech suppliers to the Russian market can order a tailor-made service at the Chamber, for instance, research into the marketing conditions for their product. This research can by a simple report or a profound analysis. Since the Chambers has its own contacts and Russian experts participate in drafting the analyses, the results can really be considered to be real information, and not imagination. As a service to its members (and for a fee to nonmembers) the Chamber regularly publishes commercial information, for instance, Russian laws, lists of enterprises, privatization rules, instructions for establishing joint ventures in Russia, etc., etc. The Chamber is capable of securing the participation of Czech entities in Russian expositions, and some expositions were even organized by the Chamber (in Almaaty in April this year, and in Moscow in June).

The Road for a Small Exporter: An Association

The Association for the Development of Trade with the East (APROV) was established at the beginning of the year as an interest group involving Czech firms that wanted to assert themselves (not only) on the Russian market. President of the Association Jiri Sedlmajer (and not only he) says that small manufactures cannot assert themselves on the Russian market since they do not have funds to at least have their own man in Moscow. He believes (again, he is not alone) that the physical presence is the alpha and omega of the success. APROV has the ambition to gradually establish offices not only in Moscow, but in other interesting places, too. Only several dozens firms, whose turnover runs from one to several million korunas, have become members of the association so far. Most of them are from the industrial and agricultural complex. According to the Association's idea, their members can conduct trade not only in the classical way—that is, for money—but partially also as barter trade. The Association has a list of Czech firms that are interested in certain Russian goods (wood, plastic materials, fertilizers, etc.). The management of the Association is prepared to provide information to their members (for a fee to nonmembers) about the situation in Russia.

APROV is not the only organization of this type. Today, there are more of them and all are counting on the common denominator: One's own man on Russian territory, information from the source, and willingness to conclude barter deals.

The Success of the Great Ones: Inekon

Regarding the number of employees, Inekon Ltd. is a small firm, but its turnover ranks it in a different category. About 30 people made 1.7 billion [currency not specified] last year, and the company foresees 2 billion this year. The company was established in 1990, and made a profit in the trade in chemical products. Later, they returned to trading in products with which the founders have experience: engineering products. Director Josef Husek admits that even their experience was not good enough to prevent the company "falling for" the so-called spisky [Russian word for lists] that were drafted by the then Soviet Union and the Czechoslovak Foreign Trade Ministry. In good faith, believing that these lists were a binding document, Inekon exported 200 CKD-made [Ceskomoravska Kolben Danek-made] locomotives to the Soviet Union. Only half of them have been paid for, the rest represents their dollar-denominated claim in Russia. Josef Husek affirms that the company is delivering goods to Russia and other

former countries of the Soviet Union only against cash payments (in convertible currencies), and even against advance cash payments. According to Husek, Western European, U.S., and Japanese firms set the same conditions. The Inekon company is trading on its own account. It exports locomotives, street cars, and trolleybuses. According to the company, enterprises in Russia, Ukraine, Uzbekistan, or Kazakhstan are willing to pay, but the company is afraid that Czech suppliers may not be able to manufacture and deliver the required products on time. Inekon has certain reservations about the Association of Czech Exporters and the assistance provided by chambers [of commerce].

A View From the Other Side

Alexander Safonov, chief of the Economic Department at the Trade Mission of the Russian Federation, explains in good Czech that the Czech-Russian trade has gotten over the "shocks" already. In 1991, this trade survived the transition to convertible currencies, in 1992, the breakup of the Soviet Union, and in 1993, the establishment of the Czech Republic. Nevertheless, Safonov stresses that the Russian market is far from "easy," since the Russian industrial lobby is fighting for the protection of the Russian market against "foreign intruders." According to Safonov, Russian foreign trade is liberal, and its legal and legislative basis is basically a standard one. Nevertheless, while the list of products for which import licenses are required is being reduced, the control of the export of strategic materials is being intensified, and so is the control of the quality of imported goods. Licenses for the export of strategic materials are issued only within the quotas fixed by the state (crude oil, gas, electricity, nonferrous metals, corn, certain fish products, uncut diamonds, etc.). By a decree of the Russian president last year, Russian enterprises that are conducting trade with former COMECON [CEMA] countries have been exempted from the obligation to sell half of their foreign currency income to the state. However, this applies only to the trade that is conducted in national currencies, which, on the other hand, is not the case when strategic materials are exported from Russia. Safonov believes that the "trend to use national currencies in mutual trade between the Russian Federation and the Czech Republic is a sound trend, the development of which can contribute to the smoothness of accounting." The Russian representative draws the attention of the Czech manufacturers to the fact that the Czech products will have to compete with Asian and Western products on the Russian markets. The export of these products is often subsidized. According to him, Asian and Western firms deliver goods while using state-subsidized credits, and enjoy state-provided support when establishing and operating information services, etc.

The Czech Government Is Also Doing Its Best

Jan Hronik, chief of the department in charge of countries with transition economies at the Ministry of Industry and Trade, points to the fact that we have succeeded in stopping the decline in Czech exports into the countries of the former USSR, while imports have declined, which means that the trade balance has begun to improve. Last year's deficit declined by one third compared with 1992. Hronik is saying that after the Czech Republic was established, it was necessary to start negotiations on drafting and signing standard legal documents, and, today, they have been signed with Russia, Lithuania, Latvia, Estonia, Kazakhstan, Uzbekistan, and other countries of the former USSR. Today, the Ministry of Finance, in cooperation with the Ministry of Industry and Trade, is drafting additional important documents regarding the support for and the mutual protection of investments, and on preventing double taxation. The Czech and Russian sides have agreed on the establishment of the Czech-Russian Intergovernmental Commission for solving the most important and topical problems. The Czech claims certainly are one of those problems. Ivan Kocarnik chairs the Czech part of the Commission.

At present, a protocol on mutual deliveries of goods between the Czech Republic and the Russian Federation is being drafted for 1994. A list of products in high demand will certainly be attached as a supplement to this protocol. Evidently, after the experience of 1991, no one in the Czech Republic will consider these lists to be a guarantee for exports—or payments.

What About the Future?

Everyone with whom we have spoken—in the sphere of trade and in the state administration—agrees that Russia and the countries of the former Soviet Union are, prospectively, a very important market. To make these prospects materialize in the nearest future, exporters must have the knowledge of the place, the people, and the milieu. They must have their own man in Russia. They must verify that their partner is solvent—at least in rubles, since the Russian internal convertibility will secure them access to the freely convertible currencies. Since the Russian manufacturers are pushing for the protection of their markets, it seems that the transfer of production into Russia—that is, establishing joint ventures—could become a partial solution. The infamous lack of technological discipline is not necessarily an evil. When stricter control is applied, discipline can be improved. Moreover, the sharp increase in transport tariffs in Russia, which makes Czech imports logically more expensive, would not play an important role if the production was launched on the market there.

Some experts believe that joint ventures would contribute to the unfreezing of Czech claims. However, the manufacturing and commercial circles are pointing to the fact that the government is expected to do something about it. The government should try to find a global solution for dealing with the Russian side (a task for the Intergovernmental Commission?). The Czech Government is expected to persuade the Russian side to be more willing to meet us halfway and to waive the requirement that the exporters to the Czech Republic must "offer" half of their foreign currency income to the Russian state

coffers. This requirement is hampering the development of barter deals, despite the fact that Russia does have certain regards for the suppliers from the former CEMA countries. When asked whether the government should exert pressure on the Russian Government, tradesmen speak about a trade-off. Of course, the Czech exporters to Russia would be happy if a law existed on support to exports that would provide them with easy access to cheaper and long-term credits. They have come to terms with the fact that guarantees are rare. The largest companies, however, want to feel the "state" presence from time to time. The minister's visit to these territories is also an important proexport measure, despite the fact that he only shook hands and smiled at everyone.

KDS, LSNS Conclude Cooperation Agreement

AU0203070394 Prague DENNI TELEGRAF in Czech 26 Feb 94 p 3

[CTK report: "An Agreement on Cooperation Between Parties"]

[Text] Prague—The chairmen and deputy chairmen of the Christian Democratic Party [KDS] and the Liberal National Social Party [LSNS] reached an agreement yesterday at their first joint meeting on consultations between the KDS and LSNS deputies' clubs on draft laws and regular cooperation between party experts. This information was released by KDS Chairman Ivan Pilip and LSNS Chairman Pavel Hirs after their meeting.

According to Pilip, their talks focussed on the issue of the territorial-administrative arrangement, restitution, the approach to returning emigres' property, the election laws, and educational and housing matters. He said that the two parties' opinions on the issues discussed are very close in the basic principles. The only exception is the parties' differing views on the elections to the Senate. The KDS prefers 27 electoral districts, while the LSNS prefers 81, added Pilip. According to the LSNS chairman, yesterday's meeting, the first to be held at the party-leadership level, took place out of a mutual need to get together. "No one initiated it," said LSNS Chairman Pavel Hirs. He added that some things have to be coordinated in parliament, while others have to be clarified and "discussed in advance" in cooperation with experts. "We want to set an example to the other parties and show them that it is possible to cooperate and reach a sensible agreement on apparently conflicting issues on which opinions differ and that this can be done without having to shift from one's own position," said LSNS Chairman Pavel Hirs in conclusion.

Report Outlines Marketing Success of Arms Plant

AU0103134994 Prague LIDOVE NOVINY in Czech 23 Feb 94 p 2

[Article by "(ivh)": "Our Pistols Are Going on Sale"]

[Text] Uhersky Brod—"Our company has sold weapons worth almost 60 million korunas [Kc] since the beginning of the year, which, in view of the long-term trend in sales, gives us good prospects for the other months," said Engineer Ivo Janeba, commercial director of the Czech Arms Plant Uhersky Brod, to a LIDOVE NOVINY reporter yesterday.

According to him, the arms plant achieved quite extraordinary growth last year in the volume of the sales of its products: growth of 140 percent, compared with 1992, which amounts to almost Kc940 million. Director Janeba said that the biggest customer last year (and will also be this year) was the Turkish Police Force, which purchased CZ 75 pistols. The Lithuanian Interior Ministry is another major foreign partner. "So far, the Czech Armed Forces have not made a binding order for our products; nevertheless, we anticipate that they will become an important partner when the concept for their armament has been drafted," said Janeba. The Austrian companies A. Kind and Sarnitz, the German Frankonia company, and a series of other companies from France, the United States, Israel, Poland, and Hungary are among the arms plant's most important partners in the civilian market. According to the commercial director, in 1994 the Czech Arms Plant will be oriented, from the point of view of exports, toward the arms markets in Turkey and the United States. The plant's most sought-after products include the CZ 75 pistols and the CZ 85 9-mm Luger pistol, whose price on the U.S. market, for example, is approximately $500.

"According to the trends in the price of its shares, the Czech Arms Plant is one of the better valued engineering enterprises, so it will be interesting for the second wave of coupon privatization," says Janeba. The nominal value of a single Czech Arms Plant share rose to Kc3,885 at the most recent session of the stock market on 17 February. The company was privatized to a considerable extent in the first wave; of course, there are still 22.5 percent of the shares left for the second wave. These shares are owned by the National Property Fund.

Klaus on Cooperation With German Industrialists

AU0103172494 Prague DENNI TELEGRAF in Czech 25 Feb 94 p 1

[Unattributed article: "V. Klaus Promoted the Czech Republic Among the German Industrialists"]

[Text] Munich—Prime Minister Vaclav Klaus described his two-day visit to Munich, which he began on Wednesday [23 February] at the invitation of the German insurance company Allianz and the BMW automobile concern, as a traditional trip for the purpose of promoting and explaining development in the Czech Republic.

On Wednesday night, the Czech prime minister met with representatives of the foremost German firms, banks, and companies: Commerzbank, Bayer, BASF, Siemens, Hoechst, Bertelsmann, GRUNDIG, Thyssen, Krupp,

and others. Also present were Hans Peter Stihl, chairman of the German Chambers of Industry and Commerce (DIHT); Otto Wolf von Amerongen, chairman of the Eastern Committee for the German Economy; and former Federal President Walter Scheel.

During the discussion with the industrialists, Vaclav Klaus explained in his own words at what stage of the reform the Czech economy is and how it differs from the other postcommunist states and the West European countries. The prime minister said that his meeting with some 50 representatives of the foremost German firms also indicates the increased involvement of the Czech Republic in the European economy. The activity of the German BMW automobile concern as well as more general economic and political relations between the Czech Republic and Germany were the topics of yesterday's debate between Vaclav Klaus and BMW boss Bernd Pischetsrieder.

"We have various subcontractors in the Czech Republic and are very satisfied with them," Pischetsrieder said after the meeting with Vaclav Klaus. He added that BMW intends to develop this cooperation further. The Czech prime minister described the talks with the concern management as very useful.

To the question of Czech-German relations, Vaclav Klaus said that "the relations must not remain at the level of talks between prime ministers but must also be developed by expanding economic contacts."

Statistics Show 174 HIV-Positive Cases

AU0103145994 Prague RUDE PRAVO in Czech 25 Feb 94 p 3

[Article by "per": "Already 174 HIV Positive"]

[Excerpt] Prague—On 31 January, there were 174 HIV-positive cases registered in the Czech Republic, which is four more than in December, Dr. M. Bruckova from National Reference Laboratory for AIDS told RUDE PRAVO on 24 February. She added that, of the aforementioned number, 46 persons had fully developed AIDS, and 33 of those had already died. Statistics have been kept since 1985. Bruckova stated that the number of people infected with HIV has continued to grow in February. [passage omitted]

Government To Recognize FYROM

LD0103205994 Bratislava STV 1 Television Network in Slovak 1830 GMT 1 Mar 94

[Text] At its meeting today the Slovak Government debated and approved the proposal for the Slovak Republic to recognize de jure The Former Yugoslav Republic of Macedonia and to open diplomatic relations between the two countries.

Meciar Refuses To Sign Privatization Bill

LD0103150194 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 1 Mar 94

[Excerpts] Following a week's break caused by the working visit of Vladimir Meciar to the countries of Asia, the Slovak Government met in Bratislava today. Deputy Prime Minister Roman Kovac and Minister of Foreign Affairs Jozef Moravcik are not taking part in its 85th regular session. It is, however, expected that the government will adopt a position today on personnel questions concerning the posts of minister of foreign affairs and minister for administration and privatization of national property of the Slovak Republic. The president of the Slovak Republic asked Vladimir Meciar for this yesterday.

The president refused to appoint Jozef Prokes minister of foreign affairs yesterday. The name of Olga Keltosova, minister of labor, social affairs, and the family, is being mentioned in this connection, as well as that of Ivan Mjartan, Slovak ambassador to the Czech Republic. Olga Keltosova, however, has allegedly denied her candidature. According to our information from government circles, Eva Mitrova, current head of the permanent mission of the Slovak Republic at the Council of Europe in Strasbourg, is a hot candidate for the post of minister of foreign affairs.

The candidate for the post of minister for administration and privatization of national property, according to Vladimir Meciar, has been known to the coalition government for several months. As he said recently, he has been waiting to appoint him only because the position of the government was not stable and he considered the appointment of a minister in these circumstances illogical. [passage omitted]

Ondrej Hanko, head of the government office press department, has said the following:

[Begin Hanko recording] [passage omitted] In the next part of the session, the prime minister reported on the president's letter, which he had received. In this connection, I would like to tell you that I have been empowered to deny yesterday's statement by the spokesman of the president of the Slovak Republic in which he said that the Slovak prime minister agreed that the president did not wish to appoint Deputy Prime Minister Prokes to the post of minister of foreign affairs. The prime minister never uttered these words at yesterday's talks with the president. [passage omitted]

The prime minister said that he has decided not to sign the bill on big privatization that the government passed to the president. He stated that he will pass it to the National Council for it to be discussed again. [end recording]

This was from the session of the government. [passage indistinct]

Foreign Minister Welcomes Croat-Muslim Accord

LD0203085194 Budapest Kossuth Radio Network in Hungarian 0800 GMT 2 Mar 94

[Text] [Hungarian Foreign Minister] Geza Jeszenszky has said that Hungary sincerely supports the Croatian-Muslim reconciliation because these two nations are dependent on each other more than other countries of the region. The Hungarian foreign minister, who is currently holding talks in Washington, is of the opinion that, if the canton system enabling the coexistence of Croats and Muslims comes into prominence again in the case of Bosnia, the example, in a wider sense, will probably be followed elsewhere as well.

MSZP Congress Ends; Election List Adopted

LD2702224894 Budapest Kossuth Radio Network in Hungarian 1700 GMT 24 Feb 94

[Report by Attila Kert and Kata Peli Nagy]

[Excerpts] [Peli Nagy] The Hungarian Socialist Party [MSZP] wants society's trust and support to build a better Hungary; this is how Gyula Horn, party chairman, closed the party congress. The vast majority of delegates accepted the party's list without changes. The first person on the list is Party Chairman Gyula Horn followed by Sandor Nagy, chairman of the MSZOSZ [National Federation of Hungarian Trade Unions], and Laszlo Bekesi, responsible for the party's economic policy.

On the list containing 174 names, 11 people represent trade unions, eight are members of the Left-Wing Youth Association, and three represent the National Federation of Pensioners. According to the decision of the party's executive, only those who conclude a political agreement with the party can run in the colors and with the support of the MSZP. The point of this is that later, if a person happens to leave the party's parliamentary group, he or she will also have to resign his or her mandate.

Matyas Szueroes, deputy speaker of the National Assembly, decided to keep his place on the national list. [passage omitted]

In the political debate Bekesi sharply criticized the present government's ideas regarding bank privatization and its overspending from the budget. He blamed the government for sacrificing agriculture and for carrying out privatization on ideological grounds. At the moment, the foreign debt amounts to $24.5 billion and the internal debt is 3 trillion forints. According to Bekesi, the increase of real wages this year and next year cannot be expected.

Talking about the internal arguments of the party, Bekesi said if the MSZP would win the elections or would come second, it would not be able to avoid governing and preparations should be made for a social-liberal coalition now.

[Kert] The MSZP would not join a future government at any price, Horn said. The Socialists' condition is that the future coalition partners agree on the necessity of a social pact. In the interest of easing the economic crisis they should be willing to continue, what is more, to speed up compensation process, to create a venture-friendly environment and to support agriculture with encouraging credit and trade policies. If we could not fulfill our promises we would step aside, Horn said in ending his closing speech.

Chairman Interviewed on Candidates

LD2802112394 Budapest Kossuth Radio Network in Hungarian 0545 GMT 28 Feb 94

[Studio interview with Gyula Horn, chairman of the Hungarian Socialist Party, by an unidentified announcer—live]

[Excerpt] [passage omitted] [Announcer] You still do not have a prime ministerial candidate. At the same time you do have a candidate for president of the Republic. This is a fairly peculiar situation. To top it all off, you have a candidate for president of the Republic at a time when the liberal parties, to the best of my knowledge, have not yet said who is their candidate for president of the Republic.

[Horn] That is their affair. We thought that not only is Arpad Goncz a generally respected figure, but the country has a great deal to thank him for, from the point of view of the fact that it has been possible to safeguard peace in the very difficult and complex process of the transformation. It is our conviction that there is no alternative to Arpad Goncz in this position today.

As far as the candidate for prime minister is concerned, it really is not a case of tactics. But we are of the view that first of all we shall have to see the election results - because at present they are unpredictable; and on the other hand, at the congress yesterday we adopted a package of demands, a system of conditions, whereby if the HSP finds itself in that sort of situation, it would negotiate with the possible coalition partners. Now, if we were to commit ourselves in advance on the issue of the prime minister candidate, let us say, then that would make the negotiations more difficult. We are open in this respect, and what we say is that those people should get into government posts who are decent and the most qualified professionally, regardless of what party they belong to. [passage omitted]

Walesa Dismisses National Broadcasting Chief

LD0103145994 Warsaw Radio Warszawa Network in Polish 1400 GMT 1 Mar 94

[Text] President Lech Walesa has dismissed with immediate effect Marek Markiewicz from the post of chairman of the National Radio and Television Broadcasting Council [KRRTV], the president's Press Office has announced. The statement mentions Article 7, Clause 2 of the radio and television broadcasting law, passed on 29 December 1992. The article reads: The KRRTV chairman is appointed by the president from among the members of the council.

At a news conference earlier today, Marek Markiewicz signed a decision granting a public television broadcasting licence to Zbigniew Solorz's PolSat.

We have been told by the KRRTV that there would be no comment on the president's decision for the time being. The KRRTV is currently in session.

To Bring Legal Action Over License

LD0203121194 Warsaw Radio Warszawa Network in Polish 1000 GMT 2 Mar 94

[Text] President Lech Walesa has said that he would bring legal action against the granting of the national television license to PolSat. Before leaving for India this morning, Lech Walesa said that one of the reasons behind the dismissal of Marek Markiewicz from the post of chairman of the National Radio and Television Broadcasting Council was the public signing of the license for PolSat. The president said that he would appoint a new chairman of the Council after his return from India next week. Lech Walesa added that, despite the dismissal of Markiewicz, the Council should carry on working as usual.

Defense Official Speaks on NATO, Russia

AU0103132894 Warsaw POLSKA ZBROJNA in Polish 25-27 Feb 94 pp 1-2

[Speech by Jerzy Milewski, secretary of state of national defense, at the Polish-Russian conference "Toward a New Partnership" in Krakow on 23 February]

[Text] The basis of Polish domestic and external security policy has been laid down in the "Principles of Polish Security Policy" signed by President Lech Walesa on 2 November 1992. The document entitled "The Security Policy and Defense Strategy of the Republic of Poland," adopted by the National Defense Committee on the same day, explains and expounds upon the principles adopted by the Polish president. The "Principles" clearly state that Poland sees no danger to it from any existing country. We are of the opinion that economic cooperation and joint activity in the security sphere, as well as in some military spheres, with our neighbors and other countries in the region helps eliminate potential dangers.

Given that NATO remains the basic factor of political stability and peace in Europe, Poland highly appreciates the Euroatlantic nature of this alliance and supports the presence of American forces in Europe. Poland's strategic objective in the 1990's is membership of NATO and of the WEU as NATO's European arm and a major component of the European system of collective security.

In accordance with the "Principles of Polish Security Policy," the Polish Armed Forces are deployed more or less uniformly all over Poland, thanks, among other things, to the formation of the Krakow Military District, which embraces the southern and eastern part of the country. The numerical status and equipment of our Armed Forces are regulated in the international commitments that Poland has signed. The army is governed by a civilian Ministry of National Defense, which is answerable to parliament, whereas supreme command over the Armed Forces is exercised by the president, who is also a civilian.

As was very much expected, the NATO summit in Brussels in January confirmed the desire to preserve NATO, and reached essential decisions concerning an adaptation of NATO structures and tasks to modern requirements. Until now, NATO doctrine has been based on the assumption that a mass attack by Warsaw Pact forces might occur one day. Today, the Warsaw Pact no longer exists, and the danger of a world war has shrunk to a minimum. However, the international experience of recent years reveals to us that local wars and conflicts are occurring with increasing frequency. Even more dangerous are paramilitary terrorist organizations. These are the real dangers of the 1990's. NATO has expressed the will to meet the new challenges by preventing the formation of conflicts and undertaking energetic action to extinguish existing conflicts and combating the aforementioned terrorist organizations.

Such a development of NATO coincides with our strategic objective. Poland wants to see the emergence of a single Euroatlantic security system by means of an eastward expansion of NATO and the gradual incorporation of all European countries therein. It is essential to establish such a system in order to guarantee political stability on our continent. We do not view today's NATO and the future security system based on it as a passive alliance meant to protect us from another lost war if Poland were ever to be attacked again.

We imagine NATO as an organization guaranteeing all over Europe the status quo, the inviolability of borders, respect for human rights, and the preservation of modern UN and CSCE standards in the spheres of civic and economic freedoms, in keeping with European culture. We want to be an equal-ranking member of this organization, and make an appropriate political, military, and economic contribution to its joint defense potential. We are prepared to take part in joint political and military actions undertaken by NATO in order to fulfill its objectives.

We have no intention of undermining the correctness of the Sejm remarks of Foreign Minister Andrzej Olechowski whereby in the medium and long term, there is no danger to Poland's territorial integrity and "no state, no significant political force, and no significant politician is staking any claims against us." But there is a fear, justified by our historical experience, that negative phenomena will develop faster than positive ones, and that a Euroatlantic system of security, with Poland a participant therein, will never materialize because someone will effectively prevent it from doing so.

No doubt the biggest visible danger is Russia's return to the imperial policy first pursued by the Czars and then by the Soviet Union. The idea of so-called nearest foreign territory that we hear from the lips of leading Russian politicians, references to alleged "historic Russian spheres of influence" which include Poland; the loud objections to the possibility of Poland joining NATO, and remarks about an alleged duty to protect all Russian-speaking peoples in the countries of the former Soviet Union—all this we consider an expression of imperial policy, contrary to the standards of CSCE and hostile to Poland. Right now the greatest danger is that Russia might interpret an absence of reaction to such rhetoric as silent approval thereof, or even as an encouragement to proceed from words to deeds. Therefore someone has to say loudly that these are wrong things to say and do, so as to prevent the emergence of some irreversible situation. For every case of expansionism possesses its own dynamics. If it does not meet any resistance, it simply keeps on expanding.

Therefore we believe that keeping Poland and the other Visegrad countries, as well as the Baltic countries and Ukraine, within the gray zone of uncertain security, in isolation and without any political screen, encourages the development of imperial trends in Russia. The young Russian democracy may and should be helped by preventing the rebirth of imperial expansion policy; a policy, I hasten to add, that also collides with the interests of the Russians themselves and those of the other peoples that form the Russian Federation.

Is Poland's membership of NATO a threat to Russia? Many Russian politicians are fond of saying that it is. Here are a few examples of the arguments used to justify such an belief.

1. In the opinion of Andranik Migranian, adviser to President Yeltsin, NATO's expansion to the border of the former Soviet Union is to be viewed not as a desire to guarantee the security, sovereignty, and integrity of the borders of Poland, Hungary, Czech Republic, or Slovakia, but as an attempt to isolate Russia even further. One hears the thesis about isolation or about the creation of a feeling of isolation quite frequently from the lips of Russian politicians.

The first question raised by this argument is: Is it at all possible to isolate a country that is as big as a continent? Is this not merely a counterargument being employed by a power that is actually intent on keeping the abovementioned countries isolated from the West European security system? And the second question: Can one employ such an ambiguous and irrational argument as a feeling of danger? Is this not merely a development of the principle that the only right thing is what we ourselves want?

2. Mr. Yuriy Kashlev, Russian ambassador to Poland, says: "The efforts of some of our neighbors to join NATO already today and a shift of the NATO borders are grist to the mill of all the opponents of the reforms, conservative forces, and nationalists who are trying to block our reforms and our efforts to combat the crisis."

Vyacheslav Kostikov, Russian presidential spokesman, says: "If the countries of Central and Eastern Europe join NATO, the reforms will collapse and the army will be angry. I think that in such a case, the army will exert strong pressure on the government and president to increase military spending and alter the present peaceful defense doctrine of Russia."

These are very odd things to come from the lips of representatives of a country that considers itself democratic. It is very odd for such a country to threaten other countries with the dissatisfaction of its own army or that of some of its political groups. We, however, insist that a chance for a real democratization of Russia will occur only when the policy of Russian imperial expansion becomes unrealistic. As long as the countries of Central and Eastern Europe are isolated and constitute a potential target of Russian expansion, it is hard to expect Russian leaders of whatever political orientation to give up such a policy voluntarily. To justify this thesis one can cite the examples of postwar Japan and Germany, which became economic powers with an unquestionably democratic system because they were deprived of the possibility of pursuing an expansionist imperial policy.

3. Again Yuriy Kashlev, Russian ambassador to Poland: "NATO arose at a time when the Warsaw Pact existed, and at that time its objective was clear. Today the Warsaw Pact no longer exists, but the arrows on NATO war charts are still pointing in the same direction. NATO has failed to undergo an adequate transformation, its member countries are still looking about them and waiting. As a military alliance, NATO has to have an enemy and be directed against someone." But, I ask you, against whom?

An acceptance of the principle that every military alliance must be directed against someone creates another question: Against whom is the CIS defense alliance directed? How are the countries of Central and Eastern Europe, especially the Baltics and Ukraine, to view this system? Perhaps the principle alone is faulty, perhaps it is still enshrined in the cold war reality?

"Partnership for Peace" [PFP] is the path to NATO. Poland's decision to accept the NATO-proposed PFP was dictated by the conviction that it is possible to form a military alliance "for" something, and not just

"against" someone or something. Poland has already signed an initial agreement, and is preparing specific plans of military cooperation with NATO countries and other PFP participants. We view PFP as our road to full NATO membership. As I said in the beginning, this is Poland's strategic choice. We consider PFP a good preparatory program that makes our gradual integration with NATO very much easier.

The reservations expressed by the Polish authorities did not concern PFP itself, but the fact that the latest NATO summit failed to provide us with a political screen in the form of NATO associate membership or participation in the NATO political structures, a political screen that we need today in view of the growing political threat from the East. We will continue to ask for this political screen, not relinquishing for a single instant our active participation in PFP.

To sum up, it must be emphasized that:

1. We consider NATO membership not just a chance to include Poland in the "good" part of Europe, as Ambassador Kashev puts it. We consider NATO membership as a brick in the building of a Euroatlantic security system in which every country interested in this security and willing to fulfill basic conditions should take part.

2. We do not think Poland's membership of NATO involves any threat to any of our neighbors. On the contrary, we believe it would provide them with extra security.

3. I hope that Poland's unequivocal and clear stance concerning our country's security and that of this region and of the whole of Europe will be understood by our partners and neighbors. Clara pacta faciunt amicos [Clear agreements make friends].

Official Views Constitutional Dispute

AU0203090794 Warsaw POLSKA ZBROJNA in Polish 28 Feb 94 pp 1-2

[Interview with Lech Falandysz, deputy chief of the Presidential Chancellery, by Janusz B. Grochowski; place and date not given: "I Believe That There Will Be an Agreement"]

[Text] [Grochowski] Is the latest dispute between the president and parliament merely about the Constitution?

[Falandysz] It is difficult to say for sure, because every political dispute has consequences that go beyond its initial subject. But this dispute concerns the method of drafting the Constitution. I think the president is right to say that one should give it exceptional legislative treatment.

[Grochowski] The slogan "Take matters into your own hands" is very controversial. It could be interpreted as an attempt to deprive parliament of the legitimacy that was accorded to it by fully free and democratic elections.

[Falandysz] Nobody has ever questioned this legitimacy. It was not the president who began to amend the law on preparing and adopting a new Constitution to make it necessary for the Constitution to be approved by the population in a general referendum. What happened was that certain people suddenly began to think about an initial constitutional referendum. We think that this is a bad idea. Needless to say, the president did not object to this idea, but he did suggest a different solution whereby any organized group of citizens may submit its own draft Constitution to the National Assembly Constitutional Commission.

The idea of dissolving parliament should parliament's own draft Constitution be rejected in a referendum has nothing to do with undermining parliament's legitimacy, either. Parliament itself has decided on direct democracy, and all we wanted to do was expand this democracy. However, it turns out that the deputies cannot even be bothered to consider the president's's draft Constitution.

[Grochowski] Various explanations are being given for the present situation. The most frequent explanation is that the president has already started his election campaign.

[Falandysz] This conflict would never have come about if the Sejm had displayed at least a tiny bit of courtesy and conveyed the draft Constitutions to the Commission. How can one suspect the president of starting his election campaign if it is not his fault that the dispute started in the first place?

[Grochowski] There is talk of another "war at the top" designed to break up the present government coalition.

[Falandysz] In politics, one ought to avoid mistakes, and once a mistake has been made, one ought to admit it. The Sejm cannot reject an initiative from the head of state without any more ado. It can criticize such an initiative, as it has already done, but it should also accord it proper treatment and let standing committees hold discussions on it. Yet in the meantime, the doors of parliament have been slammed in the president's face.

But there is no war at the top. After all, President Walesa is not under parliament's authority.

[Grochowski] Then why is the Belvedere mainly attacking the Democratic Left Alliance [SLD], even though a part of the Polish Peasant Party and Union of Labor also voted against the president's draft Constitution?

[Falandysz] Prominent SLD politicians have also defended parliament's decision to throw out Walesa's draft Constitution. The Peasant Party kept silent. All this can be taken to mean that the SLD is at war with the president.

[Grochowski] The president has the right to withdraw any legislative initiative of his, including his draft Constitution. Anyone who submits a legislative initiative has

a similar right. But I am not sure if the president's representative can cease taking part in the work of the Constitutional Commission.

[Falandysz] One can apply various interpretations, including one whereby without a presidential representative, the Constitutional Commission cannot perform its work. One might also say that the president has a duty to send a representative to this Commission. But nowhere is it written who this representative should be, and the law certainly does not say it has to be me. However, former prime ministers Suchocka and Mazowiecki are correct in saying that the Constitution can only be formed with the president's participation, and everything must be done to make him participate.

[Grochowski] Do you see any solution to this problem?

[Falandysz] Yes. I think one should seek a compromise. One such compromise is the inclusion of a group of people from outside parliament in the work of the Constitutional Commission. One could go even further. The Sejm could restrict itself to current affairs and let the new Constitution be prepared by a separate constitutional body consisting of representatives of all parties. Each party would be represented therein in a proportion that corresponds to the votes that it received in the parliamentary elections.

There are various possible solutions, and one has to pick the best one. After all, the Constitution is supposed to be apolitical, and must be addressed to the whole population, including those who lost the elections. And yet the parliamentary majority is inclined to adhere stubbornly to its convictions, an attitude that could isolate the authors of the new Constitution. In such a case, a referendum would turn even a perfectly worded Constitution into a political text that serves the interests of the present parliamentary majority.

[Grochowski] Is anyone in Poland seriously concerned about the new Constitution? All the proposals that have been presented are merely delaying work on it.

[Falandysz] Unlike the SLD and Union of Labor, the president has never insisted that work on the new Constitution be speeded up so that it can be adopted as quickly as possible. We cannot have a sloppy Constitution. Those postcommunist countries that rushed to produce e new Constitution are now regretting their haste.

In the army, various scenarios have to be tried out on exercise grounds before they are put into practice. In politics, such a training ground is the Small Constitution. However, instead of trying ideas out, our politicians are attempting to impose on the population whatever they think fit. And yet the Constitution cannot be merely the outcome of decisions by politicians. It must be the end result of a political process.

[Grochowski] You mean, it must be the culmination of a certain stage of political change?

[Falandysz] Yes, otherwise it is very difficult to define Poland's future.

[Grochowski] We know there is an urgent need to define powers concerning Poland's defense. The president wants to form a National Security Council. Will the present conflict not block this idea?

[Falandysz] Presidential ideas about national defense have always been in danger of being rejected by a parliamentary majority. One can understand parliament's reluctance to increase the president's powers, but as the president is constitutionally responsible for Polish security, his powers in this sphere have to be wider. This topic will be very difficult to discuss, but I still think that an agreement on it will be reached. I think the views of the military community should determine the outcome of this debate, because for understandable reasons, the army is subject to different rules.

[Grochowski] The president has said he sees no possibility of cooperating with a parliament that is dominated by the left wing. Does this inability to cooperate with parliament only concern constitutional issues?

[Falandysz] The president has made it clear that he sees no possibility of discussing his constitutional initiative with parliament. But he has also said that he will cooperate with the Sejm speaker on every other issue. That should dissolve all the speculation.

Labor Minister on Strikes, Kwasniewski, Walesa

WS2502150094 Warsaw Radio Zet in Polish 0715 GMT 25 Feb 94

[Interview with Leszek Miller, Polish labor and social policy minister, by Andrzej Woyciechowski at the Radio Zet studio in Warsaw on the "Guest of Radio Zet" program—live]

[Text] [Woyciechowski] Radio Zet's guest today is Labor Minister Leszek Miller. Good morning to you.

[Miller] Good morning to you, and to you, Ladies and Gentlemen.

[Woyciechowski] Are you afraid of strikes?

[Miller, hesitating] Naturally, a strike is not a pleasant thing to happen, and my assessment is that there are certainly reasons to have these protests and this turmoil. I reject the notion of a double-face morality which is about the fact that in the previous term Sejm, when we were in the opposition, we thought for instance that the protests by the All-Polish Trade Unions Agreement [OPZZ] were justified, whereas today, under the type of moral standards I mentioned, I would have to say that the protests by Solidarity are unjustified. The fact is though that these protests are indeed justified since the situation of many thousands of Polish families is difficult without a doubt, and in many cases it is even outright tragic. And when I hear, or read on lists of demands, that [hesitating] unemployment must be

reduced, then of course I agree with that proposition, except I would like to remind you that it is not Waldemar Pawlak's cabinet that caused this unemployment of 3 million people. And when I read for instance that retirement pensions and other kinds of pensions must be raised, then I agree with that, as well, except that it is not Waldemar Pawlak's cabinet that reduced the so-called fundamental amount from 100 percent to 91 percent. I could go on and on like this, citing similar examples. So, it would be hard to expect that after three months of the government's term, these painful problems will be immediately resolved as if by some magical trick. So while agreeing that there are indeed reasons for the protests, I disagree with the way there problems are being resolved—that is to say, we are proposing negotiations, peaceful talks regarding specific measures, and we are proposing to leave protests and strikes as a last resort, not as the first one.

[Woyciechowski] What is the story with the negotiations? Solidarity keeps accusing you, saying that it wants to negotiate while the government refuses to do so. Recently, the miners' Solidarity said that if the government does not begin negotiations by 7 March, then the miners will go on strike. So who wants to negotiate and who does not?

[Miller] You know, at the same time as these statements are [hesitating] being conveyed to the public, six working groups including 17 trade union centers, two employer organizations, and also representatives of territorial self-governments, are negotiating with each other on the topic of citizens' social rights, I mean citizens' social guarantees. On some of these issues, agreement has already been reached—for instance, regarding the directions of amendments to [hesitating] the family-benefits system. Yesterday, a very interesting idea emerged, to initiate work on a law on family benefits—the idea is to accumulate all benefits for children and families in just one legal document. Of course this will have to be done by modernizing the law. In my view, that is the way to solve the many problems of Polish families.

With regard to the accusation of not negotiating, [Industry and Trade] Minister Pol conducts many different kinds of negotiations every single day. I think that....

[Woyciechowski, interrupting] But who should be involved in the negotiations: the industry minister, or the labor minister?

[Miller] Exactly. I think that the industry minister should definitely negotiate these issues. But you know, I think the essence of the misunderstanding is that many trade union activists seem to think that ministers continue to be the right partners for negotiations, and not the president of a company or the manager of an enterprise. Well, this is no longer 1989, and even less is it 1980. Deep changes have occurred in the Polish economy since then. Fortunately, these changes were geared toward decentralization. That is why ever fewer decisions are up to Minister Pol for instance, and more and more decisions are up to the president of a company, the manager of an enterprise, or to managers or chairmen of economic units.

[Woyciechowski] Does it mean Minister Pol is not empowered to decide on salary hikes for miners, but the decision has to be made by the mine's manager?

[Miller] That is the way it is, more or less.

[Woyciechowski] And are you empowered to make a decision on a raise for anybody, I mean you, the labor minister?

[Miller] I am not, because what I deal with professionally is [hesitating] lessening the pain of the systemwide and economic transformations, but my main concern is assistance to the very poorest and protection to those who are suffering the most. But my feeling is that within these requests for talks and negotiations, or within the demands being made, there is a kind of, you know, a nostalgic tone ....

[Woyciechowski, interrupting] Do you mean it is a nostalgia for communism?

[Miller] Not so much for communism as for measures that are characteristic of a centralized economic system, where there is just one manager—this could be for instance the industry minister—who is in charge of thousands of different kinds of companies and who makes the most important decisions, along with the chief of the Planning Commission. But in reality, we have thousands of managers in Poland right now who have to make their decisions based on the state of their individual units.

[Woyciechowski] What you just said was a tribute to capitalism.

[Miller, hesitating] I am not sure whether it is capitalism. It was rather a tribute to a certain way of managing the economy. You know, my view is that ....

[Woyciechowski, interrupting] Tell me, three months passed since you took up the post of labor minister, and, during the three months, you never met face-to-face with [Solidarity Chairman] Krzaklewski. Was it him or you that did not want to meet?

[Miller] I did meet with him. We even had a live television debate recently; we debated for half an hour. We meet with many representatives of Solidarity. Yesterday, for instance—I think this is worth putting on record—a very important event took place, namely the prime minister awarded [hesitating] the official appointments to new members of a trilateral commission for social and economic affairs. As the name itself indicates, this trilateral commission consists of employers, trade unions, and government representatives. Within the trade union group—let us say it this way—there are four Solidarity representatives who received appointments yesterday. You know, the reason I am stressing this fact

is because for the first time in these transformation achievements of ours, a trilateral commission was established officially and on the basis of a resolution by the government. By the way, I must also praise here the negotiators involved in the Agreement on State-Owned Enterprises, since the commission was set up kind of as a result of the Agreement on State-Owned Enterprises—and that trilateral commission consists of representatives of employers, trade unions, and the government. The commission has quite considerable powers regarding issuing opinions and it will gather at a single table representatives of different trade unions and also representatives whose social and economic interests vary so much. So that commission will be an area for coming to an agreement regarding very significant decisions—against the background of what is happening in Poland today, that fact is important to the extent that it is proof of the direction of seeking social peace.

[Woyciechowski] But let us return for a moment to the strikes: Is it your impression today—now that Solidarity initiated a wide-scale strike operation, today the miners in Rybnik will be on strike for two hours—is it your impression that these strikes are politically motivated, that is to say that they are being conducted against the cabinet?

[Miller, hesitating] You know, I try not to deal with such easy-sounding suspicions or descriptions. I always try to answer the question of whether there are economic, social, and standard-of-living related reasons. So in this case, my answer is: Yes, there are reasons. So to a large extent, these protests and strikes are a result of these social reasons. But judging from the nature of some demands being made, one can kind of conclude that these strikes are political in nature.

[Woyciechowski] But if there are economic reasons, then why is it that Solidarity is on strike but OPZZ is not?

[Miller] Because that is exactly the issue of the choice of [hesitating] the way to resolve these economic hardships: Either at a negotiating table where we would draft new laws or improve the existing ones, or else by protests and by using primarily emotions. And since you asked me about this, I will tell you honestly—I think these protests and strikes are undoubtedly a response to the existing reality, but they do not change that reality.

[Woyciechowski] Are they a reaction to the reality or to the leftist government?

[Miller] Well, a reaction to the reality understood mainly as the material situation of large social groups; also, partially, a reaction to the leftist government. However, I think that the reality changes at negotiation tables. In a centralized economy, in an economy that you have called communist, there was one partner on one side, and another partner on the other. Now there are many partners. There are many interests as well. Therefore, the only reasonable thing to do in such situations are negotiations during which the participants want to find more or less common points of view.

[Woyciechowski] Recently, a few days ago, President Walesa declared that he would soon start the process of file-checking and decommunization. Do you fear that the president will decommunize you?

[Miller, laughs] Well, our president says various things. Sometimes they border on a kind of a black humor. Poles have managed to get used to this; some get irritated, look at their wristwatches, and look forward to the end of this term of office; others are delighted. I would personally compare the president's recent statements to some kind of a black humor. You know, it is difficult to say that I am delighted with Mr. Kaczynski, for instance. He is not one of my favorite politicians. However, when Mr. Kaczynski says that if the president wants to start decommunization and file-checking, he should begin with his own office, then I must say that I really liked this statement by Mr. Kaczynski.

[Woyciechowski] Did you get the impression that the president declared war on the Democratic Left Alliance [SLD]? Can this be defined in such terms?

[Miller] We could hear such overtones. He will not come to the parliament, he rejects the possibility of cooperation, and so on and so forth. However, the president often changes his mind and we should wait; perhaps in a week or two, when the emotions are not so high, the president will say something reconciliatory. Well, many words were spoken unnecessarily. Incidentally, I think that nothing much would have happened if the Sejm had forwarded the constitution bill....

[Woyciechowski, interrupting] What did you vote for?

[Miller] Unfortunately, I was not there when the ballot was held....

[Woyciechowski, interrupting] What if you had been there?

[Miller] I would have voted for forwarding the bill to the committees. You know, I remember something that happened in the previous Sejm. The SLD Deputies' Club tried to place on the Sejm agenda an initiative that was very important from our point of view; it was the passing of the Socioeconomic Charter. It was supposed to be kind of a supplement to the Constitution, a supplement concerning social issues, related to the living standard. At that time our initiative was rejected in the first reading. It was obviously rejected for political reasons. We felt really bad about; we felt like people who were....

[Woyciechowski, interrupting] I remember that moment. However, now this Sejm actually did a very similar thing.

[Miller] And they were slapped hard in the face. Now, unfortunately, the situation was similar. Therefore, I try not to forget the bad feeling we felt to prevent other people from feeling the same way. Thus, I do not think that something bad would have happened if this draft constitution had been forwarded to Sejm committees.

However, we must make up our minds to it; what is done cannot be undone. Now we should not escalate this conflict.

[Woyciechowski] Today's press has published the results of an opinion poll conducted by the Public Opinion Research Center. Poles were asked who is their best candidate for the post of the president. You must have seen these results. Kwasniewski comes first, with 17 percent; far behind him is Pawlak, with 11 percent; Lech Walesa has 9 percent. Is Kwasniewski the best candidate of SLD for the post of the president?

[Miller] He definitely is the best candidate and I am really glad that Olek [diminutive of Aleksander] occupies such a position. You know, I have known Mr. Kwasniewski for many years. I must admit that I do not know a better expert in resolving conflict situations; I do not know anyone who has greater abilities as far as reconciliating various views is concerned. Now, if we add his brilliance and intelligence to that, then it becomes clear that he is our best candidate for that post.

[Woyciechowski] Of course, what I wanted to ask you about... [Woyciechowski pauses] You understood the allusion. What about the rumors that within SLD there are other candidates for the post of the president as well? Is there a conflict there? The name of Cimoszewicz is often mentioned. Is it merely a gossip or not?

[Miller] You know, SLD is very rich in outstanding persons. There is no doubt about that. However, among those outstanding figures, the star of Kwasniewski is shining the brightest.

[Woyciechowski] Do you already know the name of the future deputy prime minister and finance minister?

[Miller] No, unfortunately I do not.

[Woyciechowski] What about the names of the candidates?

[Miller] I know several candidates, at least. I have heard various names. However, due to the fact that Mr. Kwasniewski asked us not to discuss these matters in greater detail...

[Woyciechowski, interrupting] In other words, you know, but you will not tell us...

[Miller, interrupting] Let us not discuss this in detail, then.

[Woyciechowski] Yesterday you won the lawsuit with ZYCIE WARSZAWY. It was a precedent. For the first time a politician managed to win a classical, as it were, lawsuit for libel. Could you say a few words about that?

[Miller] Yes, I am very pleased with that, because this was a long story; it lasted two years, beginning in December 1991. At that time and even later on, ZYCIE WARSZAWY published made-up stories about my participation in the so-called Moscow loan, that is, the loan of the Communist Party of the Soviet Union for the Polish United Workers' Party. I decided that all acceptable norms had been violated in those lies and slanders. I instituted legal proceedings. Only after two years, yesterday the case was brought to the end. ZYCIE WARSZWY is obliged to apologize to me and pay 25 million zlotys [Z] to the bank account of the Polish Red Cross in Lodz. In Lodz because I come from Lodz. I am also very happy....

[Woyciechowski, interrupting] Does it, then, pay to sue newspapers?

[Miller] It does pay for those who have a lot of patience. Now, when I recall that two years have passed, that over those two years ZYCIE WARSZAWY... [Miller pauses] You know, this is interesting. I have often made statements on these issues; I have organized many press conferences; I have written all kinds of corrections. I thought that the editors, knowing that they are being sued, would be more moderate However, what happened was just to the contrary. Over those two years the intensity of those slanders did not wane at all. Therefore, I believe that it is good to do this in drastic cases; however, one must realize right at the beginning that this is going take a lot of time and that the compensation, especially in the financial sense, will be very insignificant, and that it may happen that the people will eventually forget what it was all really about....

[Woyciechowski, interrupting] And just like today, only one newspaper published a report on that court verdict—a short report consisting of six lines, whereas at that time newspapers carried big headlines.

[Miller] This is typical. When this case began, all.... [Miller pauses] Most of the press as well as radio and television newscasts, began with this information: Miller did this or did that. Now that this case has finally been finished, there is only silence. Thus, this is a reflection for me, and maybe not only for me but also for the listeners, perhaps, about the objectivity and impartiality of the mass media. Incidentally, I would like to inform you that I have also begun another trial, concerning the same, with GAZETA WYBORCZA. In this case things are far less advanced, so it will probably last not two years, but perhaps two and a half, or even three. However, I think that it will end up very similarly, because it is exactly the same problem.

[Woyciechowski] Do you think the government members should get generous awards of the order of Z100 or 142 million?

[Miller] Well, you know....

[Woyciechowski, interrupting] Have you received any award yet?

[Miller] If I say no, then some of my government colleagues may resent it; if I say yes, then probably the listeners will resent it; they will say: well, what does this Miller think he is? I will simply tell you how much I earn.

I earn Z17 million before tax and my net earnings amount to approximately 15 million.

[Woyciechowski] Mr. Minister, you should go on strike.

[Miller, laughs] I receive 15 million. Now, this is a matter of evaluation whether this is a sufficient salary for a minister or not. I certainly realize that there are many Poles who earn much less. There is no doubt about that. However, there are many who make much more money. I have received one award so far; it was an award for the fourth quarter; I received it just before Christmas. It was Z20 million, I think. It really helped me organize Christmas and New Year's Eve.

[Woyciechowski] These are the awards that today's press mentions. It indicates that Pawlak also probably used some of the money left by Suchocka.

[Miller] These are legal regulations. It all results from concrete legal acts. Well, it is difficult to imagine a prime minister who can pay this money to his civil servants, but does not want to do that. I think that there is only one problem here: none of this should be secret. This should not be enshrouded in a strange mist of secret. Let us speak about this bluntly and let the public opinion form a certain view on that.

[Woyciechowski] Thank you very much for the interview.

[Miller] Thank you.

Privatization Official Outlines Plans

PM0203101394 Gdansk GLOS WYBRZEZA in Polish 21 Feb 94 p 3

[Interview with Krzysztof Dobrowolski, director of the Ministry of Ownership Transformations Gdansk Agency, by correspondent Slawomir Lewandowski; place and date not given]

[Text] [Lewandowski] The Mass Privatization Program [PPP] envisages simultaneous, quick, and inexpensive privatization of several hundred large state enterprises. Shares issued by these enterprises will be distributed among National Investment Funds. The latter are devised as strong blocs of Polish capital groups capable of competing effectively in the international arena. How many state enterprises have so far declared their readiness to join the PPP?

[Dobrowolski] At the moment there are two groups of enterprises set up according to the relevant Council of Ministers act. Together they represent more than 360 state enterprises. Currently the Ownership Transformations Ministry is completing the list of a third group of joint-stock companies which also declare their willingness to take part in the privatization program.

[Lewandowski] Shares issued by enterprises which want to join the PPP will be handed over to the National Investment Funds. What will happen then?

[Dobrowolski] The National Investment Funds will be faced with the task of managing these shares and investing them profitably. The shares will be distributed so that one strategic investor will be allocated to each enterprise—or, rather, one joint venture.

[Lewandowski] How many shares will one National Investment Fund receive?

[Dobrowolski] Each National Investment Fund set up as a strategic investor will get 33 percent of enterprises' shares. The remaining funds will get 27 percent, and the rest, that is, 40 percent, will be allocated to joint ventures' employees and to the State Treasury. A strategic investor, that is, a National Investment Fund with 33 percent of shares in its allocated company, will be obliged to encourage the company to make profits that should be reflected in its shares. We should note here that the form of this encouragement must be in keeping with the regulations and provisions of the Commercial Code. This means that the investors' proposed operations must be approved by the company board. Strategic investors will also help draft restructuring programs for their companies and assist them in seeking credits in domestic and foreign markets.

[Lewandowski] Will the state act as a guarantor when companies decide to apply for foreign credits?

[Dobrowolski] Probably not, because the National Investment Funds will not be set up as state-owned funds. The reason for this is that our enterprises—even the best ones—quite often have no experience in handling complex operations in international financial markets. So we are hoping to encourage Western firms, which are perfectly familiar with the principles of playing the financial market, to participate in our National Investment Funds system.

[Lewandowski] Who will select the firms to be entrusted with the task of managing their joint-stock companies?

[Dobrowolski] These matters will be decided by the Selection Committee, which has already started its work. Those firms which would like to participate in the Mass Privatization Program have already submitted their applications, and the Commission has begun to examine their cases.

[Lewandowski] Which firms from Gdansk and Elblag Voivodships have declared their accession to the PPP?

[Dobrowolski] In Gdansk Voivodship we have the following: the Gdynia Industrial Construction Company, the Elbud Gdansk SA [joint-stock company] Power Engineering Construction Company, the Bacutil SA Animal Feed Company, Elmor SA, MEAT SA, the Lubiana SA China Tableware Products, and Metrix SA in Tczew. In Elblag Voivodship we have the Elzam SA Production and Services Company.

[Lewandowski] So how many National Investment Funds will you create altogether?

[Dobrowolski] We estimate that we will set up about 20 National Investment Funds. It is impossible to be more precise at this moment because the exact number will depend on the final number of enterprises willing to join the national privatization program.

[Lewandowski] Let us look at the question of the transfer of enterprises' shares to the National Investment Funds. How can you avoid a situation whereby the first funds to be set up will select for themselves the best joint-stock companies, while the rest will have to be satisfied with economically weak firms?

[Dobrowolski] That will not happen, because we are planning to introduce a "points system" whereby each fund will be able to "purchase" a given number of joint ventures with the set number of points allocated to it. Thus the order in which the available joint ventures will be chosen by individual funds will be determined by random selection. In addition, the selection of joint ventures will be carried out under the supervision of the Antimonopoly Office, which will ensure that no monopolies will be created in these circumstances.

[Lewandowski] So it looks likely that by the end of this year every adult citizen of our country will be able to own shares in the National Investment Funds, does it not? Even though shareholders will not be given actual possession of their shares, but will only be issued with share certificates confirming that they are indeed shareholders. Will it be worth holding on to these certificates for any length of time?

[Dobrowolski] I am convinced that it will.

[Lewandowski] But it is inevitable that some shareholders—or, rather, certificate holders—will be forced by circumstances to sell them.

[Dobrowolski] Certainly. The privatization program aims to achieve a situation where everybody has an equal chance. And that is what will happen. However, it will be difficult for us to interfere in individual people's decisions about what they want to do with their share certificates. In any case, the Stock Exchange experience to date shows that it is certainly worthwhile to own shares.

[Lewandowski] So, one year after the launch of the National Investment Funds, our share certificates will be changed into actual shares of the relevant joint ventures and will then be eligible for Stock Exchange operations. Consequently, we will be able to buy and sell them, and generally to "play" the Stock Exchange with them, will we not? And, of course, the general public will come to experience capitalism at first hand.

[Dobrowolski] That is precisely what we hope will happen. Perhaps it will not be possible to sort out the whole question smoothly in one go, but we can be sure that the public will receive a sound lesson in economic education—certainly much sounder than our present knowledge of the subject.

[Lewandowski] Will we be able to make money by buying and selling those shares? After all, we know that quite a few of our enterprises cannot be counted among economic giants....

[Dobrowolski] Of course. However, it is worth stressing that access to the PPP will be open only to selected enterprises which can guarantee a return of good profit. That is one of the basic requirements of PPP membership.

[Lewandowski] Let us now consider the following question: I have received, or else purchased, National Investment Fund share certificates to the value of 10 percent of the average national [monthly] wage. What should I do with them now?

[Dobrowolski] You can keep them for a while, and then exchange them for shares in individual companies and wait until their value goes up. You can also sell your share certificates....

[Lewandowski] ...by trading outside the Stock Exchange?

[Dobrowolski] Yes.

[Lewandowski] But we do not have an established market in stocks and shares outside the Stock Exchange yet. So I can determine the price of my share certificate myself by selling it to a friend?

[Dobrowolski] Yes, you can. Consequently, your certificate will represent an independent market value outside the Stock Exchange.

[Lewandowski] What about the employees of the budget-funded sectors of the economy? Will they also receive share certificates?

[Dobrowolski] There will be a certain difference there because the employees of the budget-funded sector will receive additional free share certificates—on top of the entitlement due to all citizens, and chosen from selected funds—within the terms of their compensatory pay uprating schemes. [Dobrowolski ends]

The Mass Privatization Program [PPP] Timetable

1993—End of third and beginning of fourth quarter:

Council of Ministers draws up the list of single-person State Treasury companies and state enterprises selected for participation in Mass Privatization Program.

1994—First quarter:

Decision reached on results of international tender for companies administering National Investment Fund assets; competition for candidate National Investment Fund board members.

1994—First quarter:

Creation of National Investment Funds and appointment of their board members.

1994—First quarter:

National Investment Funds sign agreements with their administering companies.

1994—Second quarter:

Company shares transferred to National Investment Funds;

1994—End of third and beginning of fourth quarter:

Share certificates distributed.

1995—Second through third quarters:

National Investment Fund Shares announced at Stock Exchange.

The Mass Privatization Program is being implemented on the basis of the 30 April 1993 Act on National Investment Funds and Their Privatization, in effect since 15 June 1993.

Foreign Ministry Welcomes Bosnia Accord

AU0203130594 Bucharest Radio Romania Network in Romanian 1100 GMT 2 Mar 94

[Text] In a communique issued today the Romanian Ministry of Foreign Affairs states that it has noted with satisfaction the fact that—with the considerable contribution of the U.S. Administration—an accord was concluded on the establishment of a Croatian-Muslim federation in Bosnia-Herzegovina and a confederation between the latter and Croatia.

Romania's Ministry of Foreign Affairs considers that the implementation of the stipulations of the aforementioned accord represents a substantial step toward the political settlement of the crisis in Bosnia-Herzegovina, parallel to efforts made to find solutions for the rest of the package of issues that is being negotiated.

Romania's Ministry of Foreign Affairs expresses the hope that this favorable moment will be turned to good account to the benefit of all parties and stability and security in the region, the communique concludes.

Observers Note Violations in Moldovan Ballot

AU0203130794 Bucharest Radio Romania Network in Romanian 1100 GMT 2 Mar 94

[Text] The [Romanian] League for the Protection of Human Rights [LADO] and the Civic Alliance [AC]—the organizations that sent groups of observers to monitor the [27 February] parliamentary elections in the Republic of Moldova—found a number of violations of the electoral law, which they presented yesterday during a news conference held in Bucharest.

From among those irregularities, the list of which has been faxed to us, we mention the following: the broadcasting, on the eve of elections, of two speeches made by President Mircea Snegur, as the speeches doubtlessly had an electoral character; a number of cases in which votes were cast while more than one person was present in the ballot booths; a number of cases when votes were cast outside ballot booths; attempts made at certain polling stations to influence the voters; and the nonregistering of persons who had already voted, which allowed for the same persons to cast two or even more votes.

Solcanu Salutes 'Free Elections' in Moldova

AU0103185994 Bucharest Radio Romania Network in Romanian 1400 GMT 1 Mar 94

[Text] A rapid development of political events can presently be seen both at home and abroad, in our close vicinity, said Ioan Solcanu, deputy chairman of Social Democracy Party of Romania [PDSR], during a news conference held today.

We salute the first free multiparty elections held [on 27 February] in the Republic of Moldova, which, according to observers, were organized under optimal circumstances, despite certain minor incidents. We hope that the new framework will allow for the assertion, without any obstructions, of the democratic principles, and that also includes telling the truth about the history of the [Moldova] territory and native population.

During the news conference Solcanu also referred to the talks held by PDSR with PUNR [National Romanian Unity Party] and PD-FSN [Democratic Party-National Salvation Front]. During the talks held with PUNR the two parties found that in the current political context the protocol signed [on 1 February] remains valid, although it cannot be implemented literally, but merely in its spirit. Talking about the consultations with PD-FSN, Solcanu assessed that a step forward has been made, as they reviewed the goals pursued by the two political parties in the current dialogue. That is important because PDSR is involved in talks with other parties as well, including parties belonging to the Democratic Convention of Romania and those of the current parliamentary coalition. Solcanu stressed that they discussed aspects of a possible moratorium between PDSR and PD-FSN, which could contribute to the continuation of the dialogue between the two parties, ease the current strain in the political life, and offer elements needed for a possible future cooperation in parliament.

All political parties have to act with responsibility and make efforts to find the convergent points to surmount the current situation, concluded Solcanu.

UN Reports Serb Attacks Around Sarajevo

AU0203122994 Paris AFP in English 1151 GMT 2 Mar 94

[Text] Sarajevo, March 2 (AFP)—A UN spokesman reported fighting Wednesday [2 March] within the 20-kilometre (12-mile) artillery exclusion zone around Sarajevo.

UN Protection Force (UNPROFOR) Canadian Lieutenant-Colonel Bill Aikman said there were reports that Bosnian Serb forces had attacked near the town of Vrbovik in the northwest part of the exclusion zone. The report was confirmed by UN military observers and Canadian reconnaissance troops.

The mainly Moslem Bosnian Army said Serbs had fired artillery from within the exclusion zone. Aikman said it was possible the artillery fire had come from outside the zone and that UN troops were investigating this.

Aikman said the NATO-mandated artillery withdrawal from in and around Sarajevo and a ceasefire in effect since February 9 were being generally observed although there were minor violations.

'Chetnik' Provocations Reported

AU0203115094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 2 Mar 94

[Announcer-read 1st Corps Information Service report]

[Text] At around 1035 the chetniks fired three portable rocket launcher shells at Debelo Brdo, one of which did not explode. Moreover, the aggressor from Bosut fired three Tromblon grenades at Kasindol Street at the foot of Debelo Brdo. A cluster bomb fired from chetnik positions in Azici landed on [name indistinct] in the region of Stup. The chetniks from the factory [fabrika] in Vogosca fired Tromblon grenades at Foca Street. This morning, Brijesce was the target of sniper fire from Bacici.

Muslims Extending Fortifications

LD0103153394 Pale Srpski Radio-Televizija Studio Sarajevo Radio in Serbo-Croatian 1400 GMT 1 Mar 94

[Text] Last night and this morning Muslim forces resumed attacks on Serb defense lines. Two Serb soldiers were wounded in attacks on the Sarajevo and Majevica fronts. Muslim work on extending fortifications and trenches has been registered from the direction of Sedam Suma, Hladivode, and Sedrenik [Muslim-held parts of eastern Sarajevo] towards Donji Biosak, Faletici, and Mrkovici [Serb-held suburbs in eastern part of the city].

Air Incident Viewed; U.S. Plane Said Downed

AU0203091294 Belgrade POLITIKA in Serbo-Croatian 1 Mar 94 p 3

[Article by Miroslav Lazanski: "The Secret of Departing Airport"]

[Text] The place from which the four aircraft that were downed by U.S. F-16 fighters had taken off as well as the nationality of these downed aircraft are actually the biggest dilemmas of the air duel in the sky of the former Bosnia-Herzegovina. The question to whom belonged the aircraft that NATO circles initially identified as Super-Galebs, that is to say, G-4's, and subsequently informed that they were actually Jastrebs, that is to say, J-1 aircraft, is the key element of the entire story.

According to some information from NATO, the downed aircraft allegedly bore old Yugoslav markings, which is peculiar bearing in mind that aircraft on the entire territory of the former Yugoslavia no longer carry such markings. One thing is perfectly obvious, namely, that the downed aircraft definitely did not take off for Bosnia from the FRY territories, and there are no uncertainties about this.

The air force of the Serbian Republic possesses 42 Orao aircraft and only one G-4 Super-Galeb, according to present information. Because UN observers who register each take-off are deployed at the Banja Luka airport, there is also a question of whether the aircraft could have taken off from this airport at all. True enough, G-4 can take off from grass runways, that is to say, from provisional war airports, but the UN observers are probably also supervising the localities where the aircraft of the Serbian Republic are stationed.

Clash of "a Yugo car" and a Train

Did the two or four U.S. F-16 Fighting Falcons in the air meet with a group of six G-4's or six Jastrebs that were returning from a bombing raid on the artillery arms factory in Novi Travnik and a factory near Bugojno, which is in Muslim hands, and by firing altogether six air-to-air (Sidewinder) and (AMRAAM) missiles at them down four aircraft on that occasion? There are several versions about what happened in the sky above former Bosnia-Herzegovina.

According to NATO sources, the U.S. fighters asked the unknown aircraft to land but, allegedly, there was no reply and for this reason the F-16's fired air-to-air missiles. Four aircraft were hit and downed, while two aircraft in a low fight quickly disappeared from the scene of the clash in the direction of the Adriatic Sea.

According to some other sources, one aircraft each fell in the vicinity of Kljuc, Sipovo, and Petrovac, and three pilots allegedly died while one saved himself by ejecting. According to the same source, one U.S. F-16 was shot down with a missile from the ground, even though NATO has not confirmed this.

Did the G-4's or perhaps Jastrebs stand any chance at all in the air duel with the U.S. F-16? The reply is negative, as these are two entirely different categories of aircraft. The U.S. aircraft are faster, more mobile in the air, have better electronics, are better armed, and on top of all this are receiving help from AWACS so that the pilots in G-4's or Jastrebs stood absolutely no chance in such an unequal duel. This was actually a meeting resembling a crash between "a Yugo car" and a train.

Libyan Jastrebs

Is there a possibility that these were aircraft of the Republic of Croatia? Croatia does not own G-4 aircraft nor Jastrebs, unless somebody has sold them to it in the meantime. Some Arab countries (Libya) namely possess Galeb and Jastreb aircraft, and the possibility of such a transfer is, therefore, not completely out of the question, as the arms channels are very twisted indeed.

Croatian pilots are trained on Galeb and Jastreb aircraft and the NATO information that two from the group of six aircraft flew toward the Adriatic coast is very indicative. NATO should have released information obtained from AWACS as to where these aircraft landed.

It is possible that these were aircraft from the fleet of the republic of Serbian Krajina which has several aircraft of this type at Udbina airport. In any case, a group of six aircraft simultaneously in the air suggests an action of a more important nature, and the assumptions about the bombing of factories in Novi Travnik and near Bugojno have some substance. However, the Croats currently have more motives for attacking these factories than the Bosnian Serbs do.

Yugoslav Pilot Says Warplanes Represented RSK

AU0103182094 Paris AFP in English 1752 GMT 1 Mar 94

[Text] Podgorica, Yugoslavia, March 1 (AFP)—The four warplanes shot down Monday [28 February] by NATO fighters over Bosnia were piloted by Bosnian Serbs flying for the self-proclaimed "Serb Republic of Krajina" in Croatia, a Yugoslav Air Force pilot said here Tuesday [1 March].

The pilot, who wished to remain anonymous, said three of the Serbs were killed and the fourth ejected to safety. He named the dead men as Lieutenants Sisarica, Zoric and Zvezdan Pesic.

Pesic was based at Podgorica with the Air Force of the rump Yugoslavia until January when he quit and went as a volunteer to Krajina, flying from the air base at Udbina, near Knin.

French military officials said in Paris Tuesday that it was "very probable" that four of the six Galeb ground attack aircraft intercepted by U.S. F-16s came from Ubdina, while the others took off from another Serb base at Banja Luka, northwest Bosnia.

In London and Zagreb, British and UN officials said Tuesday it was probable that the aircraft had taken off from Serb-controlled bases in Croatia.

On Monday, French officials said the first reports suggested that all six aircraft had come from Banja Luka. The two aircraft which escaped the attack left "due west" and landed probably at the base at Udbina, the officials said Tuesday.

"The U.S. pilots saw explosions on the ground when they intercepted the Serb planes," one said. "A munitions depot was attacked," but "nobody can say exactly what were the Serb pilots' intentions."

"The Serbian pilots could have dropped their bombs to make themselves more manoeuvrable and able to escape from the US planes, or to really bomb a site."

In London, Foreign Secretary Douglas Hurd told the House of Commons that the aircraft probably came from Serb-controlled bases in Croatia. "It's not yet clear where the six Galeb planes came from though it seems at least probable that they came from airports under the control of Serbs in Croatia but that is not yet certain," he said.

In Zagreb, a spokesman for the United Nations Protection Force (UNPROFOR) was more cautious, saying the aircraft could have come from a Serb-controlled area of Croatia.

"That couldn't be ruled out," said Michael Williams, spokesman for Yasushi Akashi, the special representative of the UN Secretary General in the former Yugoslavia. "We do not have a confirmation as to which side or on whose behalf these planes were engaged over Bosnia-Herzegovina," he added.

Also in Zagreb, Jean Marcotte, spokesman for UNPROFOR commander General Jean Cot said the six Serb planes had just carried out an airstrike against an ammunition factory at Novi Travnik and an ammunition compound in Bugojno, both in central Bosnia, when they were intercepted around dawn Monday.

The UN had no military observers in Udbina and those at Banja Luka had been "detained, confined in their quarters for the whole day" Monday, Marcotte said. "There has been restriction of movement in different ways by all the factions since we arrived here," he added.

In Belgrade, Zoran Lilic, the president of the rump Yugoslavia, said the planes shot down by NATO were not Yugoslav. He condemned "all actions likely to lead to an escalation of the conflict and all recourse to force on whatever side."

Mostar Radio Identifies Pilot

LD0103161994 Mostar Croatian Radio Herzeg-Bosna in Serbo-Croatian 1500 GMT 1 Mar 94

[Report by Dino Ramovic from Podgorica]

[Text] There is probably no more doubt left about the owners of Jastreb aircraft, downed by NATO planes above Bugojno yesterday. Zvjezdan Pesic, 31, was one of the pilots of the downed planes. His family in Podgorica was informed about this tragic event by the information service of the Yugoslav Army. According to the newly established independent Montenegrin news agency, MONTENA, Pesic's family has been living in Podgorica since last summer. They came here as refugees from Mostar. Pilot Zvjezdan Pesic was taken to the so-called Serb Republic in the course of a recent forceful mobilization. His death has been talked about in Podgorica since last night and many presume that some of the downed Jastreb planes had taken off from Podgorica airport.

Bosnian Serb Army Investigating Air Incident

LD0103160394 Belgrade TANJUG in English 1516 GMT 1 Mar 94

[Text] Zvornik, March 1 (TANJUG)—The army of the Bosnian Serb Republic (VRS) continues investigating all details presented by NATO in connection with the air incident in the region of Banja Luka on Monday morning, TANJUG learned on Tuesday from VRS sources. The VRS for the time being has no new elements about the incident, in which, according to NATO, four planes were downed.

VRS sources reiterated the categorical stand of the VRS General Staff that no VRS planes had taken off from Banja Luka airfield on Monday, and stressed that U.N. military observers had been deployed at the military base near Banja Luka, the only of its kind in the Serb Republic (R.S.) for quite some time.

The duty of the U.N. military observers is in fact to monitor the implementation of the U.N. Security Council resolution banning flights over Bosnia-Herzegovina, the same sources recalled.

An element which could help the effort to establish whose the four downed planes were could be the report carried by Muslim-held Radio Sarajevo on Monday that Croatian planes had fired missiles at targets in the area of Novi Travnik, central Bosnia, on Monday. The given time of the attack coincided with the time of the air incident given by NATO.

Although the circumstances in which the NATO action was launched remain unknown, as does also the identity of the planes which NATO says have been shot down, foreign media rushed to accuse the Bosnian Serbs, alleging that the planes were theirs.

Commentary on NATO's 'Clear Message' to Moscow

AU0103161194 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 1 Mar 94

[Commentary by Enes Musabasic]

[Text] In March last year the UN Security Council adopted the no-fly zone resolution on Bosnia-Herzegovina. Since then the Serb aggressor has violated this ban several hundreds of times, while the NATO planes did not react.

Finally it happened. By shooting down four planes of the Serbian air force, NATO has carried out in full the task it was given if the resolution was violated. One should immediately say that the Serb aggressor again tried to test the readiness of the international community to react decisively to such challenges. In any case, this act will have long-term consequences, and will considerably influence the future developments in the military and political situation in Bosnia-Herzegovina. Karadzic's Serbs made a miscalculation. They failed to keep in mind that things can change suddenly in Bosnia after the NATO ultimatum. As a matter of fact, they interpreted their factual defeat around Sarajevo as a victory, but they were forced under threat of air strikes to withdraw their heavy weapons. They were relying on Mummy Russia and several hundred Russian soldiers, who came to Sarajevo as part of the blue helmets.

Such a mood of theirs was encouraged by Russia, which has been caught up in euphoria after their [Sarajevo] initiative and the pressure they exerted on Karadzic's criminals. The Russians have, however, now laid their cards on the table, and revealed to all the protagonists in the Bosnia-Herzegovina war that they are not neutral and that they are openly supporting the Serb aggressor side. So the Serbs, busy applauding the Russians, and still smarting from their defeat in Sarajevo, failed to notice the change toward a more active attitude by the United States regarding the war in Bosnia. Not even the ultimatum made them see that. However, by shooting down four of their planes, NATO—carrying out the UN mandate—has finally taught them the lesson, which is what President Clinton himself told reporters.

The hitherto indecisiveness of the international community only encouraged the destroyers of Bosnia. Through lies, deceptions, and cunning—after all, on top of Serb mythology, that is what their entire project rests on—Milosevic and Karadzic (blinded) Europe and the world, while simultaneously carrying out their dirty work. Perhaps they would have succeeded in it again this time, had it not been for the chetnik planes [words indistinct]. As it is, the shooting down of the planes is a clear message to them and to all the protagonists in the Bosnian war. The West has finally understood that only military might can force the Bosnian Serbs and Milosevic to search for political solutions through negotiations.

Finally, let us also say that after the sudden cooling of the relations between Washington and Moscow—true, not only because of the Bosnian issue—the shooting down of the Serb planes sends a clear message to Moscow as well. Talking of the Russians, let us add that Russian Foreign Minister Kozyrev said yesterday in front of a crowd of

reporters that all the sides in the Bosnian conflict possess an air force. He said that and yet the ground did not open up and swallow him!

Only some 10 days ago, Vitaliy Churkin defended himself before reporters in Sarajevo saying that he had never said that the war in Bosnia-Herzegovina started with the attack on the former Yugoslav People's Army, even though he had said just that into the microphones of Radio Belgrade. Finally, Moscow is supporting the shooting down of the Bosnian Serb planes, but with reserves, thus leaving itself room to criticize such attacks in the future.

Kozyrev announced that the Russians would double their efforts to stop the war in Bosnia and find a solution for peace. Let us hope this will not be like their efforts to date.

Ganic Sees Military Pressure as Turning Point

PM0103170694 Copenhagen BERLINGSKE TIDENDE in Danish 28 Feb 94 p 9

[Report on interview with Bosnia-Herzegovina Vice President Ejup Ganic by Soren Ostergaard Sorensen in Sarajevo; date not given]

[Text] Sarajevo—NATO's military pressure has created a turning point in the Bosnia war. The United States and Russia will be better at finding a peaceful solution than the EU's [European Union] negotiator, Lord Owen, Bosnian Muslim Vice President Ejup Ganic told BERLINGSKE TIDENDE.

The Muslim-dominated Bosnian Government considers the recent Geneva peace conference chaired by EU mediator Lord David Owen and his UN counterpart, Thorvald Stoltenberg, to be concluded. The United States and Russian have now taken over the initiative to find a broad peaceful solution to the war in Bosnia-Herzegovina, and this is giving rise to optimism in Sarajevo. So said Bosnian Vice President Ejup Ganic in an interview with BERLINGSKE TIDENDE.

Ejup Ganic is chiefly happy that Lord Owen is no longer at the center of the negotiations. The Bosnian Government has tried several times in vain to have Lord Owen, whom they accuse of being responsible for the deterioration in the situation of the country's Muslims, removed.

Lord Owen's biggest mistake, Ejup Ganic said, is that from the start he has accepted that the Bosnian Serbs should have territorial gains from their military conquests.

It has not been possible anywhere in the world to create a stable peace by rewarding the aggressor. Why should Bosnia be an exception? said the vice president, who takes the view that the EU-UN negotiations in Geneva were set up for academic reasons.

"Lord Owen has made a mess of everything by not having a clear agenda," said Ejup Ganic, who unlike several Bosnian Muslim leaders does not fear that Russia's active role both diplomatically and through the deployment of Russian soldiers in the Bosnian Serb-controlled areas could freeze the current military frontiers.

"Of course there is a strange feeling around. I grew up with news reports that now Russia has invaded Hungary, now they have invaded Czechoslovakia, and now Afghanistan. Every time Russia has come into the picture we have been used to seeing them as an invading power. But now they are here under the UN umbrella and under General Rose's command which will try to mix them with soldiers from other countries. When the Russian soldiers arrived, there were quite a few who did not behave particularly well (by celebrating with the Serbs—editorial note). But I am satisfied with the official Russian statements.

"We could have refused the Russian soldiers access for the same reason that the United Nations rejected offers from Turkey, Pakistan, and Iran, because those countries would have taken sides in the war. But we accept the Russian soldiers who will perhaps support that element in Russian diplomacy which is trying to wrest the initiative away from Vladimir Zhirnovskiy's wing in Russia," Ejup Ganic said.

Ejup Ganic is happy about the past week's cease-fire in Sarajevo, but gave me constant reminders that the capital is still besieged and divided militarily.

"The killing of civilians has been drastically reduced because the artillery and the tanks in the mountains were used primarily to kill civilians. Our fronts are only 50 meters from each other and therefore the Serbs' artillery has not been particularly effective against our infantry, but it has been effective against the civilian population. That is why we are now seeing a clear reduction in the bombardment. But the city is still under siege and all the other conditions are still the same. In the next few days we will see what further steps we can take to break the siege and turn Sarajevo into an open city."

Vice President Ganic, who earlier in the war was viewed as one of the most pessimistic and uncompromising figures in the Bosnian Muslim leadership, views the events of recent weeks in Sarajevo as a turning point in the war.

"This has had a decisive psychological effect on the Serbian regime. They hade become absolutely certain that concrete steps would not be taken against them by the international community. They were 100 percent sure that the jets flying over them were only a show. For eight days they ignored NATO's ultimatum. But now I believe that they know that they have to negotiate. They are still trying to create confusion, but they did nevertheless move out of the mountains," Ejup Ganic said.

However, the Bosnian Muslims' optimism is still guarded and contains a large portion of bitterness toward the international community. When Ganic, as NATO's jets thunder through the air above Sarajevo's presidential palace, began to discuss the background, he tried to overcome the noise with his own thunderous words:

"NATO only needed to produce a single piece of paper which contained an ultimatum to the besieging Serbs to withdraw their heavy arms from the mountains around Sarajevo. If they had produced this little piece of typewritten paper earlier we would not today have 1,000 new graves in Sarajevo.

"The lesson for NATO and the United Nations is that they must stop writing all these declarations which no one understands. Make public something that is crystal clear. Something that has a clearly defined beginning and end. Something that has a clear deadline and a description of concrete actions which will be set in motion at a specified time and with specified means. Past declarations have been watered-down nonsense," said Ejup Ganic, who despite all the war's murders and destruction still believes that there is a possibility of creating a multiethnic Bosnia-Herzegovina.

"We must begin from within and try to recreate what we had. In the area controlled by Karadzic's forces 50 percent of Serbs have also fled. No one is asking them what sort of Bosnia they want. They are Bosnians. They will not suddenly be able to feel themselves to be something else. People from all groups in the population are in Croatia, Serbia, or in Western Europe. They have now gotten to know what a refugee's existence means. One day they will wake up and think about the blessings they had in Bosnia, and they will travel home and help in the rebuilding of their homeland. A partition of the country is unnatural. We have to heal ourselves after this tragedy. First people will have to learn to greet each other again. A year later they will perhaps be able to drink coffee together and the younger generation will be able to play sports together.

"The key point for the recreation of the multiethnic Bosnia is that those who are guilty of war crimes are punished. When this happens everyone who has lost a son or a daughter will be able to see who the guilty ones are, who gave the orders, and who carried them out. Those left behind will then perhaps be able to feel some relief," the Bosnian vice president said.

Objects to Proposal for Tuzla Airport

AU0103192394 Mainz ZDF Television Network in German 1800 GMT 1 Mar 94

[Report by Martin Schmuck]

[Excerpt] [passage omitted] If Moscow and Bosnian Serb leader Karadzic have their way, the airport in Tuzla, an industrial town in eastern Bosnia, is to be opened and guarded by Russian blue-helmet soldiers.

Talking to ZDF, Bosnian Vice President Ejup Ganic said that this is unacceptable. Bosnia has more Russians than it needs. The country does not want any Russians, who do not cooperate in stopping the war. They are only supporting the Serbs and just serve to cover up the domestic problems between the government in Moscow and Russian right-wing extremist Zhirinovskiy and divert attention from their internal problems, Ganic stated.

Heavy Arms From Sarajevo Moved to Zavidovici

AU0203102094

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0900 GMT on 2 March carries in its regular 9-minute newscast the following reports on the fighting in the republic.

Maglaj correspondent Hajrudin Sermic reports that "the bloody Maglaj drama continues today. Since the early morning hours the chetnik weapons from all sides are targeting buildings, residential areas, civilians. This is hell in the Maglaj concentration camp in which Mladic's bloodthirsty criminals are killing innocent civilians. In less than one hour, and up until the time of filing this report over 300 tank, howitzer, and mortar shells have landed on the town. Systematic fire from four tanks, two howitzers, and dozens of guns is being directed at the northern, new part of Maglaj that was build just before the war. Pragas, antiaircraft machine guns, and snipers are also being used against the town." Sermic wonders why the UN Protection Forces [UNPROFOR] has made no attempt to enter the town and convey to the world the truth about the unheard-of suffering of the civilian population.

From Bihac Mirza Sadikovic reports that "the Serbian aggressors overnight continued their bestial shelling of Bihac and neighboring areas. [Words indistinct], Brekovici, Srbljani and all the other places situated on the right bank of the Una River. The Bihac industrial zone and the outskirts of the Cazin Commune continue to be the target of howitzers, tanks, and mortars. They have only one objective—to destroy everything. Moreover, the chetniks continue to systematically shell the defense positions on Grabez and the Grmusko-Srbljanksi plateau. A great number of defenders have been killed overnight. It is obvious that this a preparation for fresh attempts at infantry breakthroughs."

Reporting from the Bosna Operative Group Press Center in Zavidovici, correspondent Viktor Boban says that "in the past 24 hours, the Serbian aggressor has intensified his activity on the Zavidovici free territory. Indiscriminate fire from hill guns and antiaircraft guns, supported by 82-mm and 120-mm mortars, resulted in over 100 shells landing on the villages in the Krivaja River valley, while a 122-mm howitzer shell landed on Zavidovici. Antiaircraft weapons from Blizna and [name indistinct] pounded the villages near Ruzic and Dolna. In the late afternoon hours [1 Mar] overflights of chetnik helicopters were registered. The flights continued overnight on

the Mt. Ozren-Zavidovici route. A veritable motorcade of enemy motorized vehicles from Mt. Ozren toward the Maglaj and Zavidovici fronts went on until the morning hours. We wonder whether this means that the heavy weaponry from Sarajevo is being transported to these areas. This morning, Dubravica was marked by intense antiaircraft and infantry arms' fire."

Zvornik correspondent Nijaz Banjanovic reports that "the aggressor's strong artillery attack at the entire Zvornik free territory went on all night. Using tanks and mortars of all caliber, they pounded residential areas and civilian targets in Zaseok, Nezuk, Kobilici, and Vitinica which resulted in immense material damage. Ten tank shells, fired from Kitovnice, landed on Zaseok overnight, while the chetniks fired another 10 shells this morning. Luckily, there were no casualties. The chetniks are targeting almost all of our positions with antiaircraft weaponry and snipers. The defense lines are stable."

Serb Attacks on Bihac, Maglaj Continue

AU0103203694

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1800 GMT on 1 March reports the fiercest fighting in the following regions:

Maglaj correspondent Hajrudin Fermic reports that "the Serbian aggressor" began infantry attacks in the southern and southeastern parts of defense early this morning. As he reports, "the fighters of the Bosnia-Herzegovina Army and the Maglaj heroes withstood the wave of attacks and have once again saved their town. A true cannonade of the defense positions and civilian targets ensued." As Fermic continues to report, "the afternoon brought a more peaceful spell, which the aggressor, judging by the reports of military scouts, has been using to fill its ranks and reposition its arms, preparing itself for the continuation of the offensive." He adds that the situation regarding food and medicine supplies in Maglaj is "highly dramatic."

Reporting from the 7th South Operative Group of the Bosnia-Herzegovina Army, Mirudin Aldobasic says that "the situation was particularly hellish in the area of Kamatova Kosa today, where the enemy has attempted tank-infantry breakthroughs on several occasions. Thanks to the outstanding bravery of the fighters of the 207th Famous Hill Brigade Jela and the 110th Famous Brigade of the Croatian Defense Council [HVO] Usora, all enemy attacks were successfully resisted." "In retaliation for unaccomplished tasks, the chetniks did not leave the civilians, the civilian quarters of Tesanj, and the free territory of Doboj and Teslic in peace the entire day. The chetniks have been using this 44th day of the constant offensive at this area to regroup their forces along the entire defense line, which is 133 km long. A large concentration of enemy troops and hardware has been spotted in the vicinity of Usce on the Doboj battlefield."

As Mirza Sadikovic reports from Bihac "the earth has been simply burning since 1300 [1200 GMT]." According to him, many parts of the town are no longer recognizable due to massive destruction. "The destruction of the industrial zone of Bihac is terrible," Sadikovic exclaims. "At the moment, it is not possible to establish the number of casualties; however, it has exceeded 200 over the last three days. There are also many dead civilians, and a considerable number of defenders perished in the savage shelling, too. The defenders in Grabez and Grmusko-Srbljanski plateau have been exposed to horrendous attacks of howitzers, tanks, and multiple rocket launchers from Jelaca Greda, [word indistinct], and Tihotina throughout the day, especially since 1300." Sadikovic draws attention to the "joint fervent battles fought by the members of the 5th Corps, the fighters of the HVO of this region, and the members of the Ministry of Internal Affairs. Besides this, the chetnik helicopters performed combat actions on several occasions today, firing rockets at Jezero and transporting fresh troops and military hardware."

Serb Troops Force Postponment of Aid Convoys

AU0203122694 Paris AFP in English 1146 GMT 2 Mar 94

[Text] Sarajevo, March 2 (AFP)—Besieging Serb forces refused Wednesday to give a UN humanitarian aid convoy permission to travel to the northern Moslem town of Maglaj, a UN spokesman said. UN High Commissioner for Refugees (UNHCR) spokesman Kris Janowski said the convoy was due to leave Wednesday but that Serbs in Pale, the Bosnian Serb headquarters, said there were no officials there who could authorize the convoy. Janowski said the delay could be at least two or three days.

The UNHCR has had repeated problems in Bosnia's 22-month-old in getting convoys into besieged zones. [sentence as received] Serb troops have intensified attacks on Maglaj over the past two weeks. The last convoy to Maglaj, where 16,000 people live, was in October, Janowski said. He has described conditions there as the worst in Bosnia. He said a report he received "a month ago said the people there look like skin and bones."

In addition, a 12-truck Danish aid convoy remained blocked trying to get into Sarajevo. The convoy, which is stuck in Hadzici, 15 kilometres (nine miles) outside Sarajevo, was being blocked by Serb women demonstrating for their husbands to be released from a nearby Bosnian prison.

The UNHCR moves from 20-30 land convoys a day in Bosnia and flies from 15-20 planes a day into Sarajevo airport. It feeds some three million people in central Bosnia. In addition, NATO planes carry out nightly air drops of food to areas like Maglaj where convoys are denied access.

ICRC Oversees Muslim-Croat Prisoner Exchange

AU0103200694 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 1 Mar 94

[Text] An exchange of Croatian and Bosnian prisoners was carried out in Bosnia-Herzegovina today under the auspices of the International Committee of the Red Cross [ICRC], the headquarters of this organization in Zagreb has reported.

The Bosnia-Herzegovina authorities released 61 Croats from a prison in Jablanica, while the Bosnian Croats released 128 Bosniaks from Rodoc.

The prisoners will be transported to a destination of their choice.

At the same time, 200 Bosnian Croats left Jablanica with the help of the Red Cross. The majority of them were women and children.

Dutch Troops To Relieve Canadians in Srebrenica

AU0103185794 Paris AFP in English 1803 GMT 1 Mar 94

[Text] Sarajevo, March 1 (AFP)—A total of 360 UN Dutch troops reached the Moslem enclave of Srebrenica in eastern Bosnia-Herzegovina to relieve 135 UN Canadian soldiers there, a UN spokesman said here Tuesday [1 March]. UN Protection Force (UNPROFOR) Lieutenant Colonel Bill Aikman said the Dutch had arrived over the past 24 hours.

Serb cooperation in allowing a troop rotation in Srebrenica was one of three demands of the international community to move towards peace in Bosnia.

The other two were to withdraw heavy weapons from Serb-besieged Sarajevo, which has been done, and to allow the re-opening of Tuzla airport in the northeast, which is due to take place this month.

Serb authorities had blocked the rotation in Srebrenica, insisting that the troop level in Srebrenica not increase.

But Aikman, a Canadian, said a total of 800-1,000 Dutch troops, a full battalion, would deploy in Srebrenica. The Dutch have arrived so far with 78 vehicles, mainly armored personnel carriers and other troop vehicles. Aikman said the Canadians would be leaving in two to three days.

Srebrencia is one of six UN-mandated safe areas designed to protect besieged Moslem populations.

Rose To Meet With Serbs, Muslims on Cease-Fire

AU0103144894 Paris AFP in English 1429 GMT 1 Mar 94

[Text] Sarajevo, March 1 (AFP)—UN commander for Bosnia British General Michael Rose is to meet Serb and mainly Moslem Bosnian military officers Wednesday to discuss ceasefire violations, an aide to Rose told AFP.

British Lieutenant Colonel Simon Shadbolt, military assistant to Rose, said Bosnian forces have at some sites advanced their front-line positions against besieging Serbs by 10 metres (yards). He said Rose would ask the Bosnians to return to their original positions.

Shadbolt said UNPROFRO has guaranteed the Serbs that the Moslems will not advance their lines, or mount an infantry attack, while it enforces a NATO exclusion zone that required Serb troops to pull their heavy artillery away from Sarajevo. The meeting is to be at Sarajevo airport at about noon (1100 GMT), Shadbolt said.

UN Protection Force (UNPROFOR) spokesman Canadian Lieutenant-Colonel Bill Aikman had said earlier Tuesday that while a ceasefire was generally holding in Sarajevo there were reports of trench-digging by Bosnian troops in attempts to advance their lines. He said violations on the Serb side consisted of sniper fire and that there had been small-arms shooting on both sides.

HDZ in Bosnia Demands Territory, Sovereignty

LD0103160494 Mostar Croatian Radio Herzeg-Bosna in Serbo-Croatian 1500 GMT 1 Mar 94

[Text] At its session in Mostar today, the executive of the Bosnia-Herzegovina Croatian Democratic Union [Hrvatska Demokratska Zajednica—HDZ] has been discussing the efforts being made to resolve the state crisis in Bosnia-Herzegovina particularly in the light of the current negotiations between the delegations of the Croatian and Muslim people. The HDZ has issued a public statement including the following:

First, the political will of the Croat people in Bosnia-Herzegovina has been repeatedly expressed through legitimate and legal representatives, through the political charter as well as the political declaration of the Bosnia-Herzegovina HDZ and through the declaration of the House of Representatives of the Croat republic of Herceg-Bosna.

Second, by sacrifice and by struggling hard for its survival and the protection of all its rights, the Croat people in Bosnia-Herzegovina has won an inalienable right to equality with the other two peoples in the homeland of Bosnia-Herzegovina.

Third, the Croat people in Bosnia-Herzegovina is willing to accept only such a form of Bosnia-Herzegovina's state organization that will secure the sovereignty of the Croat people in its territorial unit. This original sovereignty is the foundation of all forms of power, including those powers that are vested in bodies of the central authorities of the future Bosnia-Herzegovina.

Fourth, the Croat people in Bosnia-Herzegovina takes into account the authentic features of individual areas in Bosnia-Herzegovina and to this effect it is willing to work on seeking more suitable solutions in keeping with

these features—but only on the basis of the original sovereignty of the Croat people and reciprocal protection for the rights of members of all three state-building peoples.

Fifth, any solution to the state crisis in Bosnia-Herzegovina which were to disregard the sovereignty of the Croat people in one part of the territory of Bosnia-Herzegovina would be at odds with the hitherto expressed political will, historic rights and interests of the Croat people of Bosnia-Herzegovina. This is all the more so as the historical experiences of sovereignty without a territorial definition were the main factor in the oppression of the Croat people and a cause of its emigration and demise. Sovereignty without territory has been scrapped in multinational communities in modern state policies and legal concepts and civilized countries.

Sixth, in seeking a just and lasting peace the Croat people in Bosnia-Herzegovina has always taken into account, and always will, the entirety of Croatian national interests.

Tudjman Welcomes Muslim-Croat Talks

LD0103222094 Zagreb Radio Croatia Network in Serbo-Croatian 2100 GMT 1 Mar 94

[Text] [Announcer] Croatian President Franjo Tudjman returned from Albania this evening. At Zagreb Pleso airport the president was welcomed by Stipe Mesic, Josip Manolic, Nikica Valentic, Janko Bobetko, Gojko Susak, Jure Radic, and other top state officials. Following his arrival at the airport Tudjman told journalists that the talks he held in Tirana were useful for the political and economic development of Croatia and Albania. Commenting on a meeting between Foreign Minister Granic and Prime Minister Haris Silajdzic in Washington, President Tudjman said:

[Begin recording] [Tudjman] I think that this is a success both for our policy and this time also for international policy, the European and U.S. ones. This is a success that is leading toward peace, which is most important, while it is opening up possibilities to Croatia for the resolution of all its problems, primarily the speedier resolution of problems regarding Croatian territories under UN protection—in other words, under Serb occupation—and the resolution of all other economic and financial problems, which is very important. [end recording]

Serbian Air Forces on Croatian Territory Viewed

AU0103213794 Zagreb GLOBUS in Serbo-Croatian 25 Feb 94 pp 7-8

[Article by Karlo Jeger: "The Most Important Stronghold of the Serbian Air Force Outside Serbia Is Situated in Croatia!"]

[Text] Serbian military aircraft are still flyi..g freely above Croatia. Vladimir Desnica, a NOVI LIST reporter, visited the occupied territories in Croatia and witnessed yet another demonstration of the power of the rebel Serbs. Desnica claims that jet planes flew over his head during daytime, in front of UN Protection Forces [UNPROFOR] members! They flew to Knin and then proceeded south. This piece of information, which is shocking to Croatian citizens, is commonplace for UNPROFOR members. According to the information we have received from the United Nations there are 12 aircraft of the "Jastreb" type at Udbina airport. According to the prewar standards, these 12 aircraft correspond to the power of a single assault unit. UNPROFOR members claim that Krajina aircraft did not fly from September 1993 until February 1994. The reason was allegedly a shortage of spare parts.

19 Serbian Aircraft on Croatian Territory

The attempt to obtain official information about the air force owned by rebel Serbs at UNPROFOR headquarters ended with the usual response: "No comment." The technologically well-equipped UNPROFOR press service, which employs several dozen people, does not want to know what is going on in UN Protected Areas. There are reports by UN members directly in these areas, but they can hardly be used as a basis for the estimation of the technical equipment and the legal status of the Serbian aircraft (these areas should have been demilitarized according to the Vance plan). It is known today that many UNPROFOR members cannot differentiate a gun from a howitzer, let alone different types of combat planes. More than a year ago, an UNPROFOR officer informed, for example, of large-scale movements of Croatian "Leopard" tanks toward the front in the south. The information that the Croatian Army has these modern German tanks created panic among rebel Serbs. The case had a banal epilogue, since it was established that these were trophy tanks from World War II on which Croatian soldiers had written "Leopard." This means that the information sent by UNPROFOR members from the front has to be taken with a pinch of salt.

Unfortunately, the information that the Serbs in the so-called "republic of Serbian Krajina" have a certain number of aircraft that fly over the UN Protected Areas without any restrictions, is quite reliable.

There are three large airports remaining in the occupied Croatian territory that can hold Serbian jet planes. The former Osijek airport was occupied by the Yugoslav People's Army already at the beginning of the war. After certain parts of the Yugoslav People's Army withdrew, Osijek airport, the only airport in Slavonia—which has the official name of Klisa airport now, taking the name of the nearby village—was given to chetniks and later it became the UNPROFOR headquarters for Sector East. Since it was thoroughly cleaned out, like all other airports at which the Yugoslav People's Army was based, it is out of use at the moment. Only the runway can be used for training purposes.

Bihac airport, which became a part of the Croatian territory after the Yugoslav People's Army withdrew, was completely destroyed in a spectacular mining operation controlled from a helicopter. The $5 billion investment was blown into the air and it is out of use now. A whole wing of MiG-21's was transferred from Bihac airport to Ponikve airport near Uzice in Serbia and most of the equipment and devices, as well as technical personnel, were transferred to the airport on the other side of Pljesivica Mountain, near Udbina. Udbina airport, which the Yugoslav People's Army constructed as a reserve warbase, thus became the westernmost Serbian airbase. The decision to occupy Udbina airport was taken for tactical reasons. Other airports are situated too close to demarcation lines.

After the Vance plan for Croatia was signed and the cease-fire reached, it seemed that Udbina airport would not have any special importance. For some time it served civilian purposes. The KOS [the former Yugoslav intelligence service] members who participated in the "Opera" action organized a regular flight service between Belgrade and Udbina by Yugoslav Air Force planes. After some "Opera" members were arrested, the regular air traffic between Belgrade and Udbina was

given up, too. With the escalation of the war in Bosnia-Herzegovina, especially after the territory of Bosnia-Herzegovina became a no-fly zone, the military importance of Udbina airport increased. During the first several days after the ban was imposed, the Serbs, as usual, completely ignored this requirement of the international community. Since the beginning of 1993, however, when NATO aircraft started controlling Bosnian airspace, the Serbs have reduced their activities in the air to the use of helicopters and transferred some of their aircraft to Croatia.

In fact, Serbian planes and helicopters flew—in spite of the ban—from the Bosnian airspace to the occupied Croatian territories all the time. They were not stopped by UN monitors who were stationed at all active airports.

Since it cannot be established how often Serbian aircraft are still flying from Bosnia to Croatia, neither can it be precisely stated how strong the Air Force led by Milan Martic is.

It is known, however, that Serbs have more than 12 aircraft in the occupied Croatian territory. Apart from that, they have helicopters.

Already at the time when the so-called UN Protected Areas were being established, Serbs painted the helicopters of the former Yugoslav People's Army blue, trying to declare them as helicopters of the local police forces. The Knin Police thus got a large number of "Mi-8" transporting helicopters of Russian origin as well as "Gazella" combat helicopters for antitank actions and for reconnaissance purposes. At the same time, there were several old- fashioned attack airplanes of the "Jastreb" type, and several trainer planes of the "Galeb" type at Udbina airport. They had been already almost out of use since their maintenance level was below the technical minimum. This was confirmed at the air show, organized above Benkovac Barracks several months ago, during which one of the "Gazellas" split in the air. The members of the crew were badly wounded. Captain Suput later died from injuries.

Pilots From Lika Villages

This situation in the Knin Air Force represents the general chaos, poverty, and anarchy in the regions ruled by rebel Serbs. Like other Krajina leaders, Lieutenant Bubalo, the commander of Martic's Air Force, has a large apartment in Belgrade. His wife and children live there.

Most of the pilots of the Krajina Air Force stem from Lika villages; after the Vance plan was signed they have been working more on activities necessary for survival, such as in agriculture, than on maintaining their flying capacity.

The announcement of a NATO intervention in Bosnia has again enhanced the importance of Udbina airport. Before the NATO ultimatum was issued, General Ratko Mladic, the commander of the Bosnian Serb Army, visited the occupied Croatian areas. He also visited the Knin headquarters of General Novakovic. Soon after this visit, Milan Martic, the new "president" of the "republic of Serbian Krajina," gave a statement on the necessity of close connections between Western Serbian countries, and Udbina airport was reactivated at the same time. Serbian combat jet planes started flying to the training polygon situated near the occupied town of Benkovac. They have been practicing classic maneuvers of reaching a destination at rooftop level as well as various maneuvers for bombing and rocket attacks.

The sudden reactivation of Udbina airport can be explained in two ways: The Serbian pilots from Bosnia have either come to the airport in order to refresh their skills, since they had a break of several months, or they have come here in order to prepare themselves for a response in case of NATO air strikes. It was stated that the Serbs can reach the NATO air base in Aviano only from Udbina airport.

Udbina airport is not a serious threat to Croatia. After the successful action in the Medak area, this airport is now within the reach of Croatian artillery.

More important is, however, the attitude the Federal Republic of Yugoslavia has toward this airport, which is situated deep within the internationally recognized borders of Croatia.

The Ministry of Traffic of every country issues the IAP [International Airport] publication for its airspace. It is used by pilots and flying personnel since it contains information on airports and infrastructure important for activities in the air. The Belgrade Ministry of Traffic, with which Croatia is now negotiating about the reestablishment of telephone lines, has declared Udbina airport one of the official Yugoslav airports in this publication—apart from the Belgrade and Nis airports. The official code of Udbina airport is LYUD, and its telephone number is 078-76800.

RSK Assembly Concludes First Plenary Session

AU0103205294 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 1 Mar 94

[Report by TANJUG correspondent Savo Jankovic from Knin]

[Text] The first plenary session of the first regular meeting of the assembly of the republic of Serbian Krajina [RSK] concluded this afternoon by electing members of seven parliamentary committees. The unanimous election of the commission members was preceded by the consultations held by the heads of caucuses, where a complete coordination was reached about the (?composition) of the committees, something that

Assembly Chairman Branko (Vodnjica) stated with pleasure at the beginning of the afternoon part of the session. Immediately after the assembly committees were constituted, the first constitutive sessions of some of them were held while the remaining committees will do that by tomorrow morning.

The second plenary session is expected in the afternoon, which will most probably discuss the Krajina negotiatory platform in the peace process, amendments to which were initiated by President Milan Martic. By the way, at the morning part of the session today, Martic presented a report on the current political and security situation in Krajina. One may expect the plenary session [tomorrow] to discuss Martic's speech and there is also the possibility of the government submitting its report on the same topic. Moreover, the government is expected to submit a proposal on legal documents or ordinances regarding Krajina joining the united balance of payments with the FRY [Federal Republic of Yugoslavia], monetary reconstruction, and economic recovery.

Choice of New FRY Envoy in Zagreb Attacked

94P20438A

[Editorial Report] The 14 February issue of the Split daily SLOBODNA DALMACIJA, in an article entitled "The Return of Comrade Veljko" on page 5, criticizes the appointment of Veljko Knezevic as head of the Federal Republic of Yugoslavia [FRY] diplomatic office in Zagreb. "Croats know who Veljko Knezevic is.... As an arrogant chief of the central committee—as well as the chief of SDB [State Security Service] operations—he was tasked with creating political conditions in Croatia that would benefit the Serbs, both natives of Croatia and newcomers," SLOBODNA DALMACIJA states, adding that the return of Knezevic to the "scene of the crime" and the forcing of Croats to accept a "criminal" as "ambassador" contains "Milosevic's true message of reconciliation and forgiveness." The paper remarks that, with this appointment, Milosevic, the "Belgrade mass murderer," shows a sense of humor typical of "sadistic maniacs" who in "committing their crimes ridicule their victims."

FRY Bans Overflights of Macedonian Airplanes

LD0103220294 Skopje Radio Macedonia Network in Macedonian 2100 GMT 1 Mar 94

[Text] The Ministry of Urban Planning, Civil Engineering, Transport, and Ecology today received a letter from the relevant bodies of the Federal Republic of Yugoslavia [FRY] saying that, as of 2 March, airplanes belonging to the majority of Macedonian airlines will be banned from overflying Yugoslav territory. This refers to Palair-Macedonia [Macedonian flag-carrier], Vardar-Air, Macedonia-As, Avio-Impex, Meta, and Falcon. The reason for the ban, as the letter says, is the huge outstanding debt for the servicing of these airlines' overflights.

We have learned from our ministry that contact with Yugoslav bodies was established; they were called on to postpone the implementation of the decision by at least one month in order to enable the companies to repay their debts.

The letter also says that the same measure was applied to airlines from Bulgaria and Turkey that have incurred arrears in payments.

Gligorov Views Blockade With German Official

AU0203173394 Skopje MIC in English 2 Mar 94

[Unattributed report: "Closed Border—Harmful Consequences"]

[Text] Macedonia's [The Former Yugoslav Republic of Macedonia—FYROM] President Kiro Gligorov yesterday received the State Minister of the Federal Republic of Germany Helmut Schafer. The talks were also attended by Macedonia's Foreign Minister.

On this occasion, they exchanged opinions regarding the strengthening of the cooperation between the two countries and the current situation in the region. It was jointly assessed that the latest Greek measures, namely the closing of the border, are illegal, harmful, and that they can cause vast consequences to the stability in the region.

Gligorov expressed full readiness of Macedonia to resume the Macedonian-Greek negotiations within the framework of the UN, without previous conditions and pressure.

Mr. Schafer yesterday held talks with Foreign Minister Stevo Crvenkovski. The two politicians exchanged opinions regarding the situation on the Balkans and the mutual bilateral cooperation and the possibilities for its strengthening.

Minister Crvenkovski briefed the German guest on Macedonia's international activities and the efforts for its admission to the international institutions. It was jointly concluded that there are many possibilities for a development of the bilateral relations and economic cooperation.

Prime Minister Branko Crvenkovski informed Mr. Schafer of the latest government measures in relation to the transformation of the Macedonian economy, particularly in the implementation of the programme for economic stabilization, as well as the difficulties Macedonia is facing since the introduction of the economic embargo by Greece.

Mr. Schafer expressed hope that the newly developed situation, following the embargo, will be overcome with an aim of normalizing the transport of goods and services on the southern Macedonian border.

Greeks Allow Some Trucks To Cross Border

AU0203163394 Skopje MILS-NEWS in English 2 Mar 94

[Unattributed report: "Border Partially Deblocked"]

[Text] Seven foreign vehicles that had been waiting for 2 weeks to leave Greece were allowed to enter Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] two days ago: Two Holland lorries carrying textile, two Italian trucks with raw materials for the leather industry, and three Greek trucks carrying oranges and olives for Macedonia. Four fuel-carrying vehicles of the firm Mlaz from Bogdanci were also permitted to leave Greece.

Two additional freight-cars loaded with phosphates for metallurgic industry in Titov Veles also arrived in Macedonia from the Greek railway station Idomeni yesterday. The remaining 18,000 tons of phosphates left from Salonika for Burgas, Bulgaria.

Workers Threaten Strike, 'Massive' Protests

AU0203163994 Skopje MILS-NEWS in English 2 Mar 94

[Unattributed report: "Protest Postponed for 8 Days"]

[Text] About 3,000 workers protested in front of the Macedonian [The Former Yugoslav Republic of Macedonia—FYROM] Parliament yesterday. The workers' delegation was received by representatives of the parliament deputy groups and the Minister of Health and Social Politics Iliaz Sabriu also joined the meeting later on.

After the talks the workers from insolvent firms decided to postpone the general strike until next Tuesday, thus leaving additional 8 days for the Government to meet their demands. If no solution is offered by then, the workers announced massive protest marches.

Federal

Jovanovic Discusses Croat-Muslim Agreement

LD0203133194 Belgrade TANJUG Domestic Service in Serbo-Croatian 1244 GMT 2 Mar 94

[Text] Belgrade, 2 Mar (TANJUG)—Federal Foreign Affairs Minister Vladislav Jovanovic today said that yesterday's Croat-Muslim agreement could be positive if it were to lead to an end to the war in Bosnia-Herzegovina.

Talking to reporters in the federal assembly, Jovanovic stressed that he was not familiar with the crux of the agreement but he nevertheless cautioned that nothing good would come out of the agreement if it constituted a block of two sides in opposition to the third side, the Serbs, along the lines of "take it or leave it."

"In that case the agreement would be no contribution to peace—on the contrary," Jovanovic said. In his words, the signing of the agreement may mean that the Croats and Muslims abandoned "what was agreed at an earlier stage in Geneva."

"Depending on the essence of this agreement, the Serbian side will formulate its attitude to it," Jovanovic said.

Muslim-Croat Confederation Seen as Unrealistic

LD0103125894 Belgrade TANJUG in English 1125 GMT 1 Mar 94

["Pool" report by Sinisa Lepojevic]

[Text] Belgrade, March 1 (TANJUG)—Judging by the facts of the real life and the war reality, the Moslem-Croat confederation in the former Yugoslav Republic of Bosnia-Herzegovina, under discussion in Washington for the past three days, will be practically impossible to achieve.

Well-informed sources and diplomats are aware of that, as are most probably its initiators in Washington, and by doing so they are consciously drawing Bosnia further away from peace and an end of the war. The idea is basically also directed against the interests of the Bosnian Moslems.

The ten-month war between the Bosnian Moslems and Croats has reached such horrible proportions that its cruelty surpasses all previous wars and has broken up all alliances between these two peoples, i.e. their political leaders. The key issue is central Bosnia, the scene of fierce battles between the Moslems and Croats over control of mixed territories and arms factories.

This part of Bosnia is the essence of life of the Bosnian Croats in that ex-Yugoslav republic. It was inhabited by over 400,000 Croats, 200,000 of whom fled before the clashes with the Moslems, while the death toll remains unknown.

The worst Moslem atrocities against the civilians were committed in this region, while the Bosnian Croat forces (HVO) carried out massacres over the Moslems, especially in the area of Vares, Vitez, Gornji Vakuf and Prozor.

The Bosnian Croats have demolished Mostar which, after the Serbs were forced to leave, became a predominantly Moslem town. One wonders if a Moslem-Croat federation in Bosnia is possible from that viewpoint.

The fact remains that the idea for a federation comes from abroad and that the negotiatiors are under terrible pressure. Regardless of the outcome, these talks represent the defeat of the policy of Croatian President Franjo Tudjman and his party, the Croatian Democratic Union (H.D.Z.). One should recall that the major disputes in [word indistinct] occured over central Bosnia, which is now virtually lost because a federation implies the maintaining of actual state of affairs. [as received]

This discord within HDZ was stemmed from the insistence of the Bosnian branch of H.D.Z. on maintaining central Bosnia as a "basis" of Croat population, while western Herzegovina, in which Zagreb was mainly interested, was "ethnically clean" even before the start of the war and had very loose links with Sarajevo.

The United States' excuse that this kind of federation would solve the problem of the Moslem access to the sea is also invalid, because part of the coast of former Bosnia-Herzegovina has been ethnically clean, i.e. Croat-populated, for a long time.

Simultaneously, the urging of a new federation by the United States, former defender of the Bosnian Moslems, proves that the Moslems are the winners in the war with the Croats, and are thus in a superior position.

On the other hand, the United States, which until now has undermined all peace efforts by insisting on a so-called intact Bosnia-Herzegovina, now admits that division is inevitable. This represents a defeat of Bosnian Moslem leader Alija Izetbegovic, if he is the one who makes any decisions at all.

This only proves that the Bosnian Serbs were right in insisting that it [words indistinct] who in fact does not want a Bosnian Moslem state.

Furthermore, it is unclear what will happen to the autonomous province of Western Bosnia, Moslem enclave in northwest Bosnia. Judging by the current state of affairs, if a Moslem-Croat federation came to life, this part of Bosnia called Cazinska Krajina would very likely become autonomous within the Bosnian Serb republic.

The question is what could this federation mean for the Bosnian Serbs. [words indistinct] ways for its setting up primarily recognize the sovereignty and independence of the Bosnian Serbs within Bosnia- Herzegovina.

On the other hand, if such a community was a threat to Bosnian Serb interests and could provoke yet another

[words indistinct] major Croat-Serb clashes would be bound to happen, and concerning the latest Russian initiatives in the Balkans, the fighting could have tragic consequences primarily for Europe, as well as for the whole world.

Regardless of what led the United States to insist on this idea, its realization certainly does not accept reality and the actual state of the affairs, and simultaneously draws Bosnia-Herzegovina away from the much desired peace.

Sandzak Leader Cautions Muslims Against Alliance

AU0103162894 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 28 Feb 94 p 4

[Article by "M.N.": "Tudjman as a Lesser of Two Evils"]

[Text] The Muslims in Bosnia have paid dearly for their naivete and alliance with the Croats. Conscious of the fact that he has been militarily defeated in this former Yugoslav republic, Franjo Tudjman is now offering the Muslim people a federation with the Croats and a confederation with the Republic of Croatia.

Although he does not care much for Muslims, he is doing this because he is under pressure from the United States and is hoping to create a military counterbalance to Serbia. At the moment, for him, the alliance is the lesser of two evils. Moreover, he was the one who flatly refused all proposals for a Bosnian-Croatian union.

This was stated yesterday by Rasim Ljajic, head of the Sandzak branch of the Party for Democratic Action [SDA], who said that Tudjman was still counting on good relations with Milosevic and the return of the lost territories in the Krajina. Ljajic advised his compatriots in Bosnia to think before entering into any kind of alliance with the Croats.

Lilic: No FRY Planes Fly Over Bosnia

AU0103173794 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 1 Mar 94

[Text] FRY President Lilic held a news conference for foreign journalists in the International Press Center in Belgrade at noon today. Without Yugoslavia's stabilization there is no stabilization in the Balkans and beyond, he said. He resolutely denied any link between the Air Force of the Yugoslav Army and yesterday's incident in Bosnian skies. Here is a report by Slobodan Jankovic:

[Begin recording] [Jankovic] Before about 100 foreign correspondents, President Lilic first presented a basic layout of the FRY policy regarding the crisis in the Balkans. Afterwards, he answered a dozen questions.

Speaking about the most important pillars of our policy, Zoran Lilic said the following:

[Lilic] The consistent policy of the FRY has, all the time, and is still based on two key aims. The first is a political aim and it consists of the maximum effort for the FRY to make its full contribution to establish peace. These are the activities that we have been carrying out continuously since the breakout of the crisis on the territory of the former Yugoslavia. The second aim is the economic one: Regardless of the drastic situation in the region, our country is going to stabilize its economy through (?real) deep structural changes in the monetary sphere, managing capital, mobilizing (?idle) capacities through the share-holding system, and, certainly, the functioning of the market of capital, and the reform of the taxation system. The economic program that began to be implemented on 24 January has as its aim realization of these very changes and it is evident that it has yielded good initial results. You know very well that inflation, or to put it better, hyperinflation was over 300 million percent, only to be reduced to about 1 percent during February and this is that right road that we are going to go along toward the (?stabilization) of our economy. Finally, it is logical to expect that everything that the FRY has done on the plane of stabilizing the situation in these regions, complying to everything that was demanded from it through the UN Security Council resolutions, as well as all the measures undertaken at the moment in the economic sphere, should now make the international community change its attitude toward us, whereby a recovery of the FRY and a peaceful future for the generations that have been unjustly put in the situation of living in isolation and under pressure would be made possible. I am convinced that only an economically recovered Yugoslavia can be of use to Europe and the world in general, because, without a stable Yugoslavia, I am deeply convinced there can be no stability in the Balkans or in the broader territories around us.

[Jankovic] In reply to the question by a correspondent of the Chinese agency about yesterday's incident in the Bosnian skies, President Lilic said the following:

[Lilic] I am convinced that you know of the announcement that was issued by the General Staff of the Yugoslav Army. I, as a supreme commander of the Yugoslav Army, can only confirm that, for a full two years, that is, since the constitution of the FRY, not a single aircraft has taken off from the territory of the FRY and flown to the region of the former Bosnia-Herzegovina.

What I would like to say is that I personally condemn any gesture that leads to an escalation of the conflict and any use of force by any side. This is only one more argument that negotiations need be accelerated and that we need peace and not war. It is obvious that there are people who want to provoke a continuation of war and new clashes on the territory of the former Bosnia-Herzegovina. I can say with certainty that there have not been, and will not be, any such provocations. Our only task and aim is to continue the policy we have been leading.

[Jankovic] Correspondents of foreign media in Belgrade have asked the FRY president about Belgrade's assessments of the war in Bosnia, unification with the Serbian

Republic and the Republic of Serbian Krajina, as well as about relations with the former Yugoslav republics of Croatia and Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]. [end recording]

NATO in Position To Identify Planes

LD0103133194 Belgrade TANJUG Domestic Service in Serbo-Croatian 1205 GMT 1 Mar 94

[Text] Belgrade, 1 March (TANJUG)—Commenting on the downing of planes near Banja Luka yesterday, FRY [Federal Republic of Yugoslavia] President Zoran Lilic said today that "not a single aircraft has flown toward Bosnia-Herzegovina from FRY territory for two years now, i.e, since the FRY was set up."

In reply to a question about the incident near Banja Luka, Lilic pointed out that NATO was in the best position to say what had happened because NATO used AWACS monitoring systems that should know where the planes took off and where they landed. Lilic said that the FRY was against the use of force regardless of who used it.

Foreign Ministry Condemns Hebron Incident

LD0103160794 Belgrade TANJUG in English 1535 GMT 1 Mar 94

[Text] Belgrade, Mar 1 (TANJUG)—The Foreign Ministry of the Federal Republic of Yugoslavia (F.R.Y.) on Tuesday strongly condemned the recent unprovoked terrorist act in the mosque in Hebron which caused many innocent Palestinian casualties.

This senseless act has struck a fierce blow to the Palestinian-Israeli peace process, the Foreign Ministry said in a statement and added that it was in the interest of the people of Palestine and Israel to do everything in order to avoid that this incident leads to the increase of tension and escalation of the conflict.

Consistent to the principles of the peaceful resolution of conflicts as the only way to effectively solve problems in the international community, the F.R.Y. underscores the importance of continuing peace talks between Israel and the PLO with the aim of establishing a just and stable peace in the Middle East, the statement said.

Minister on 'Devastating' Effects of Sanctions

LD0103172294 Belgrade TANJUG in English 1440 GMT 1 Mar 94

[Text] Belgrade, March 1 (TANJUG)—The international economic sanctions against the Federal Republic of Yugoslavia have had the most devastating effects in the area of transport and communications, where direct losses have reached the figure of nearly ten billion dollars over the past 21 months, Federal Minister of Transport and Communications Zarko Katic said in an interview to TANJUG.

The figure does not include the losses incurred to the neighbouring and other European countries, which had to by-pass Yugoslavia's shortest and cheapest roads and railway lines leading to western Europe and the Middle East.

"By sealing the Yugoslav borders, the architects of the (U.N.) resolutions have also sealed Europe," said Katic.

A series of unilateral traffic suspensions was initiated by Germany in December 1991, when it discontinued its air traffic with Yugoslavia, disregarding all international norms.

Yugoslavia has been placed under a total traffic isolation on the basis of United Nations Security Council resolutions in May 1992 and April 1993.

Yugoslavia was forced to compensate a part of the losses through road and navigation tolls, said Katic. Most branches of transport and communications faced a total collapse.

Vessels of the shipping companies Jugooceanija and Prekookeanska Plovidba - which, in cooperation with the port of Bar, had secured one fourth of the foreign currency earnings of the Republic of Montenegro before the sanctions - are currently blocked in ports throughout the world.

Another example is the Yugoslav railways, which in 1993 cancelled 46 passenger and 30 cargo trains daily at the average. The restrictions were ofter caused by problems in obtaining fuel and spare parts, whose imports are banned.

Jovanovic Opposes Sanctions on Croatia

AU0103134394 Vienna DIE PRESSE in German 1 Mar 94 p 3

["Exclusive" interview with FRY Foreign Minister Vladislav Jovanovic by Oliver Vujovic; place and date not given: "Belgrade's Foreign Minister: 'No Sanctions Against Croatia'"]

[Text] [Vujovic] In the next few days, the office of the FRY [Federal Republic of Yugoslavia] in Zagreb and the office of the Republic of Croatia in Belgrade will be opened. Does this mean that the war between the Serbs and Croats is over?

[Jovanovic] The war has come to an end and both sides are of the opinion that peace and prosperity are only possible with normal relations. Thus, the opening of the offices in Belgrade and Zagreb follows from it. Experience has shown that the results of direct talks between the two sides are far more successful than is the case if a third side, foreign countries, interfere. The offices are only the first step to mutual recognition.

[Vujovic] The greatest problem are the borders within the former Yugoslavia....

[Jovanovic] The FRY does not have any territorial claims against its neighbors. Thus, there is no border problem between us and the former Yugoslav republics. However, the problem is that individual republics have deprived the Serbian people who have lived in these territories for centuries of the right to decide on their future. It is the same right that these republics used for themselves in order to become independent. We do not have any territorial interests, but we only want to protect the interests of the Serbs who live there. However, the Serbs, for example, in the Krajina, can only decide on their future alone. All the problems there can only be solved in direct negotiations between Zagreb and Knin. We will accept what is decided there.

[Vujovic] Does Belgrade have an influence on the Serbs in the Krajina?

[Jovanovic] Of course, we have a certain influence on the Serbs outside the FRY, but one must not underestimate this influence.

[Vujovic] The question of the prisoners of war is certainly one of the most important humanitarian questions at the moment. What is the present situation?

[Jovanovic] We started to solve this problem as early as a year and a half ago. At that time, we signed a document that all prisoners are to be exchanged. However, as we ascertained later, the Croatian side did not release all its prisoners of war or, more precisely, not all were on the list. Therefore, these talks will be repeated.

There are currently no Croatian prisoners of war on our side. On the other hand, however, we have a list of about 1,000 people, most of them missing persons from the former Yugoslav People's Army. The Croatian side is prepared to examine this list once again, to ascertain finally whether these people are still alive. A commission of the two states is to investigate this. We are also offering our help to rule out the possibility that someone was forgotten or incorrectly registered by us.

[Vujovic] An issue that arises again and again is the question of property rights....

[Jovanovic] In the Geneva conference there is a commission that is responsible for the legal succession of the former Yugoslavia. While the individual seceded republics advocate the thesis that all the republics of the former Yugoslavia and the FRY are together the legal successors of the SFRY, we take another view. The FRY did not secede from the former Yugoslavia. Therefore, we are not a legal successor, but the state with the basic right. The second problem is FRY citizens' private property that is in today's Croatia and Slovenia. There are numerous houses, apartments, and summer houses with all their furniture and equipment, which were confiscated or even destroyed by the Croats. Our citizens must be able to enforce the right to this property, which belongs to them.

[Vujovic] The interrupted relations resulted in many problems in the life of the Serbs in Zagreb, Istria, Dalmacija, as well as in the life of the Croats in Serbia....

[Jovanovic] I must stress that far more Serbs lived in Croatia until Croatia's declaration of independence. Many of these Serbs had to leave Croatia, and were often threatened. According to our estimates, only 100,000 Serbs are living in Croatia today, while up to 300,000 Serbs experienced "ethnic cleansing." Most of these expelled Serbs are living as refugees in the FRY, which is particularly difficult for us because of the UN sanctions. All who want to return must be able to do so. They should also have the right to their apartments and all their other rights.

[Vujovic] Because of the participation of Croatian troops and soldiers in the Bosnian war, UN sanctions against Croatia were also demanded. What do you say to that?

[Jovanovic] No, no new UN sanctions should be introduced, but the existing ones should be lifted. For the embargo against us, which has been in force for two years, has shown one thing: Such a thing does not serve peace, but it only aggravates the situation.

[Vujovic] Can the visit of a higher-ranking Croatian politician be expected in Belgrade soon, for example, a visit by Croatian President Franjo Tudjman to Belgrade or by Serbian President Slobodan Milosevic to Zagreb?

[Jovanovic] There had already been high-level contacts before this normalization. So far, President Milosevic and President Tudjman have had several meetings within the framework of the Geneva peace negotiations. We expect Croatian Deputy Prime Minister and Foreign Minister Mate Granic to visit Belgrade soon. It is only a question of when a meeting will be held on an even higher level in Belgrade or Zagreb.

RSK, Srpska To Join FRY Payments System

LD0103171794 Belgrade TANJUG in English 1609 GMT 1 Mar 94

[Text] Belgrade, Mar 1 (TANJUG)—The Republic of Serb Krajina (RSK) and the Bosnian Serb Republic (RS) will be a part of the single payments system with the Federal Republic of Yugoslavia (F.R.Y.) as of March.

On January 24, the Yugoslav Government began implementing its monetary system reconstruction and economic stabilization program. A new dinar, fully backed by gold and foreign exchange, was issued in stead of the old inflationary dinar.

Payment operations of the F.R.Y. with the RSK and the RS have not been discontinued in the meanwhile, but were carried out in old dinars.

As it was announced, the RSK government will at the session of its parliament on Tuesday suggest the urgent

adoption of laws and regulations which will make possible the RSK's joining of the single payments system with the F.R.Y.

RSK Prime Minister Djordje Bjegovic said the greatest difficulties are expected in the implementation of tax policy measures and in the domain of customs.

The RSK was proclaimed on predominantly Serb populated areas in Croatia in 1991 in response to Croatia's forcible secession from the former Yugoslav federation and its attempt to downgrade the status of the Serbian people to one of national minority. It has been a U.N. protected area (UNPA) since March 1992.

The RS was set up by Serbs in 1992 on their ethnical and historical territories in the former Yugoslav republic of Bosnia- Herzegovina.

Since Monday, February 28, the RS has been in the single payments system with the F.R.Y., Bosnian Serb Prime Minister Vladimir Lukic said.

"The republican government has harmonized and adopted all provisions from the F.R.Y.'s monetary system reconstruction and economic revival program," Lukic said.

It is now only a matter of technique, he added, when the new Yugoslav dinar will appear as the only means of payment in the RS.

Serbia

Seselj: Serbs 'Not Interested' in Accord

LD0203134094 Belgrade TANJUG Domestic Service in Serbo-Croatian 1250 GMT 2 Mar 94

[Text] Belgrade, 2 Mar (TANJUG)—We are not interested in the Croat-Muslim agreement reached last night, leader of the Serbian Radical Party Vojslav Seselj told TANJUG today. "They can reach agreements on whatever they want. We, the Serbs, will not give up our territories," Seselj stressed.

Kosovo

LDK Condemns Killing, Warns of 'State Terror'

AU0103215094 Tirana TVSH Television Network in Albanian 1900 GMT 1 Mar 94

[Text] A public communique issued by the Kosova Democratic Alliance [LDK] Presidency condemns the murder of Selman Daci by the Serbian Army at Hani i Elezit and considers it as an organized state crime of Serbia against Albanians.

The communique states that whenever the international community undertakes concrete steps against the Serbian policy and Serbia, such as the case of downing of four Serbian aircraft in the war in Bosnia, the Belgrade regime increases the police and military repression against the Albanians in Kosova.

Alongside the repression, raids, imprisonments, and daily harassments by the Serbian police, yesterday's murder in Hani i Elezit seems to warn the escalation of organized state terror with unprecedented consequences for Kosova and the Balkan region. The LDK Presidency warns the international public that, besides the increase of police forces, movements of considerable military forces that check the unarmed population have recently been observed in Kosova.